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FEDERAL CROP INSURANCE CORPORATION
UNITED STATES DEPARTMENT OF AGRICULTURE
WASHINGTON, D. C.

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Wheat Crop Insurance COUNTY PROCEDURE

INSTRUCTIONS
RELATING TO THE ADMINISTRATION OF THE
CROP INSURANCE PROGRAM

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WHEAT CROP INSURANCE—COUNTY PROCEDURE

PART I. ORGANIZATION

In each county or group of counties where wheat acreage is sufficient to warrant a campaign, a County Crop Insurance Supervisor (hereinafter referred to as the "County Insurance Supervisor") shall be selected. This person shall be recommended to the State Crop Insurance Supervisor by the County Agricultural Conservation Committee or the committee designated by the Corporation (hereinafter referred to as the "county committee"), in collaboration with the person contacting the county office for the State Agricultural Conservation Committee. Upon approval by the State Crop Insurance Supervisor, his employment shall be effected by the County Agricultural Conservation Committee.

The county committee, in cooperation with the County Insurance Supervisor and with the approval of the State Crop Insurance Supervisor, shall select the necessary crop insurance representatives for the county, and arrange for the employment of additional clerical assistants in the County Agricultural Conservation Association Office necessary for the efficient handling of the clerical work that pertains to crop insurance. The county committee shall effect the employment of such persons.

A. Duties of County Insurance Supervisor.

The County Insurance Supervisor shall supervise the work of the crop insurance representatives. He shall have access to all available records regarding wheat production and acreages that are now on file in the Office of the County Agricultural Conservation Association or County Agricultural Extension Agent.

The County Insurance Supervisor shall prepare a list of names of all the wheat growers living in the county. From this list he shall prepare work lists for each crop insurance representative. These work lists shall be so prepared that the representative can contact each wheat grower in the least possible amount of time and with the least possible amount of travel.

The County Insurance Supervisor shall summarize regularly the daily reports of all the crop insurance representatives and determine the average cost of contacting each wheat grower, and the average cost of each application completed. After such determination, he shall review the work of those representatives, the quality and cost of whose work is not as good as that of the average representative. If such review shows that in some cases representatives are not capable of contacting growers and completing applications in an efficient and economical manner, he shall recommend to the county committee the discharge of such representative, and another person shall be selected to carry on his work.

B. Qualifications of County Insurance Supervisor.

In selecting the County Insurance Supervisor, the following points should be considered:

1. The County Insurance Supervisor should be an actual wheat grower living in the county.
2. He should be able to deal with all farmers and farm organizations within the county.
3. He must not hold a county political office or be a candidate for such office.
4. He must not use this insurance work to promote any other line of business.
5. He should be able to judge the adaptability of a farm to the growing of wheat and be able to recognize good wheat farming practices.
6. He should be a man known for his integrity and have a reputation for fair dealing and firmness.
7. He should be able to understand business papers and accounts.
8. He should be capable of leading, training, and directing crop insurance representatives.
9. His selection must be acceptable to the Corporation, and must meet with the approval of the person in charge of Crop Insurance for the State.

In counties where the number of wheat growers will be sufficient to warrant a campaign but not sufficient to require the services of a full time supervisor, it would seem advisable to select a member of the present Agricultural Conservation Committee as County Insurance Supervisor. He may then devote such time as is necessary to the crop insurance program.

It shall be the duty of the county committee to effect as many economies as are consistent with proper precision and speed in handling the wheat insurance campaign.

C. Preparation for Campaign.

In preparing the list of wheat growers in the county from records in the office of the county committee, from county assessors' rolls or otherwise, it is suggested that the names be kept classified by townships or other recognized territorial units in order to expedite the work of laying out territories for crop insurance representatives.

For all cases in which acreage and production records are available for the farm in the county office on Form Wheat 201 or Wheat 203, the appropriate data should be transferred from such forms to the information sheet, so that the crop insurance representative may have this information already prepared when he goes into the field.

D. Absentee Landlords and Small Acreages.

The procedure indicates that County Insurance Supervisors shall prepare a list of all wheat growers in order to assign work lists for sales representatives. Work lists should not include owners or landlords who do not live in the county where their land is located, or operators whose estimated total premium would be so small that personal contact would appear unduly expensive.

The County Insurance Supervisor shall prepare a special mailing list of such growers, both owners and operators, and the sales campaign should be conducted by mail.

A letter may be sent to each grower on this mailing list. Such letter may indicate:

1. That crop insurance is available.
2. Fundamental principles of crop insurance.
3. How loss costs are determined.
4. How premiums are paid.
5. How indemnities are paid.
6. The adjusted average loss cost for the county should be stated and suggestion made that his premium rate would be above or below the county figure as the risk on his farm varies above or below county average risk.
7. In the case of an owner of a farm upon which the operator has made application and premium rate has been determined, the owner should be notified of such rate.
8. Where and how further information may be obtained.

E. Crop Insurance Representatives.

Where it is determined that crop insurance representatives are to be employed, the number of crop insurance representatives required properly to canvass the county in the required period of time should be estimated and a recommendation of this need forwarded to the State Crop Insurance Supervisor upon whose approval they may be employed. In determining the number of representatives required it should be remembered that each additional representative constitutes a new training problem, and one more man to whom the County Insurance Supervisor must give assistance in the beginning and during the progress of his work.

Representatives selected may or may not be community committeemen. They should be men who know how to get things done quickly and accurately without lost motion and without long drawn-out visits and conversations. They should be favorably regarded in the territory they serve and should be the type of men who are accepted with confidence on first meeting. They should be men who know wheat farming and who will not be depressed by a few hours of contact with a succession of farmers who for one reason or another do not wish to apply for insurance.

F. County Meeting.

A school of instruction shall be held for the county. It is expected that county committeemen and prospective crop insurance representatives will be present. State committeemen, field men and representatives of the State Extension Service will be present to explain in detail the crop insurance program, the general plans for putting it into effect, the specific plans arranged for the county and detailed instructions on forms and procedures required. This instruction should include:

1. A general explanation of the wheat crop insurance program.
2. Specific instructions on the information sheet and application.
3. The handling of cases that require appraisal.
4. The proper use of county average figures.
5. Specific routing and daily procedure instructions.

If community meetings are considered desirable a schedule of such community meetings may be prepared or approved, plans for inform-

ing bankers and other businessmen should be made, and publicity for the county campaign should be planned.

In some cases, it may be found desirable to hold a general public meeting of farmers for the county. If such general county meeting is held, it is expected that there will be little necessity for holding meetings for the communities.

G. Community Meetings.

It will be found expedient in some counties to schedule and attend a series of township or community meetings, at which meetings the general purpose and method of wheat crop insurance will be explained at one time to a large number of farmers and questions invited to clarify any misunderstanding. It is suggested that in all these meetings a large chart or blackboard be used for demonstration and for calculating average yields and premiums for individual farms.

Applications should be completed by as many farmers present at the community meeting as possible, in order to avoid unnecessary time and expense for crop insurance representatives in the community. Several committeemen or representatives should be present at each meeting in order to give personal assistance to as many farmers as possible on that occasion, and to have as many applications completed as possible.

H. Farm Canvass.

Immediately following the community meeting the crop insurance representative for that community should start his canvass and attempt to complete his interviews as promptly as possible.

For the first few days the County Insurance Supervisor should contact each new representative each day in the field or confer with all representatives collectively in the evening at the county office, in order to correct beginners' mistakes and help to solve specific problems arising in specific communities. Frequent contacts should be continued throughout the campaign depending upon the apparent need of each representative.

Each representative should bring in or send in each day all completed applications, together with the corresponding information sheet; and should report names and addresses of all other wheat growers called upon during the day on the daily report sheet Form FCI-17 with a brief explanation of the results of each call. He should retain the information sheet for those farmers visited on whom he expects to make another call. He should return to the county office, with proper notation, the information sheets for those farmers upon whom he does not expect to call again or for cases that seem to require special contact or follow-up by the county office.

During the progress of the solicitation campaign, reports are to be made regularly to the State Office. Such reports form the basis upon which continued use of funds may be justified and approved.

I. Appraisal.

In cases in which the data on annual yields are inadequate to complete an application in the ordinary manner, an application should be prepared, entering whatever data are available. The county committee will insert an appraised yield.

It may be necessary at times for appraisers to be designated to visit various communities, but such expense is to be avoided where it is not essential.

In making appraisals, it should be remembered that over-optimism in appraisal is likely to have the effect of raising the premium rates for the entire county in the future, since rates in the future will be greatly influenced by the loss experience on the farm and in the county during policy years.

J. Publicity.

From the beginning to the end of the solicitation campaign, farmers in the county should be given frequent and complete information through the local press on all of the details connected with the planning and progress of the campaign. It may be desirable that general explanations be mailed from the county office to all wheat growers on the list. It may be found desirable immediately preceding the opening of the campaign in a community to send more specific details to all wheat growers located in that district, introducing the representative, perhaps telling something about him, and explaining why he is calling upon them, what his purpose is, and asking them to help speed up his work as much as possible.

PART II. GENERAL INSTRUCTIONS

County officials administering the Federal Crop Insurance Program should become thoroughly familiar with the provisions of the Federal Crop Insurance Act, the regulations, the application and policy, and these instructions. Careful study of these documents, including the definitions, will prevent dissemination of misinformation and the submission of applications that are improperly prepared. Attention is called to the statement in the insurance policy that the terms of the policy shall not be waived or changed except by a rider to the policy, signed by the manager and countersigned by a duly authorized officer or representative of the Corporation. If the policy is sold to the farmer on the basis of misstatements that are contrary to the written terms of the contract, the ultimate effect may be dissatisfaction with the program. The way to avoid that result is to be thoroughly familiar with the above-named documents.

A. Closing Dates.

Applications for insurance will be accepted only if filed before a designated closing date, notice of which will be announced by the Corporation. Separate dates will be established in different areas and for spring and winter wheat. The object of setting a limitation on time for filing of applications is to prevent delaying the submission of applications until after the applicants can predict the probable size of the crop on the basis of soil moisture and other conditions.

B. Supplemental Applications.

While a supplemental application may be filed later on the basis of acreage planted in excess of the amount stated in the application, such supplemental application will be considered by the Corporation on its merits. If it appears that such supplemental application is made because of poor crop prospects, the additional amount of insurance applied for will be refused.

C. Drought Areas.

Attention is called to Section 42 of the Regulations regarding the limitations on the amount of insurance in areas designated by the

Corporation as drought areas. Drought area, as used in that regulation, refers to an area where drought conditions prevail at the time of writing of policies. Such areas will be designated by the Corporation by special notice and until such special notice is received, that regulation will be inapplicable.

D. Information on Premium Costs.

In response to requests for information about the cost of crop insurance, county officials should give the average figure for the county, i. e., the adjusted average yield and the adjusted average loss cost, and state that the actual cost for any farm will vary from that, depending on the wheat production record for the farm. The actual figures for the policies will not be available until, on the basis of approved yields, the Corporation has computed the average yield and premium. These figures will be given to the applicant in his premium notice, a copy of which will be sent to the county committee.

Many applicants will desire to compute the amount of insurance and the premium for their farms. Form FCI-25, on which the applicant can make calculations, will be furnished to all county offices. Final figures used by the Corporation will be computed from the final approved yields, but the applicant can work out a tentative figure for the cost based on his reported yields. While these forms are furnished to the county committees, this work should not be done by the county committee itself or its employees as the amount of time consumed in this process will add to the cost of operation and such expense is unjustified as the same computations will have to be made in the Branch Office of the Corporation.

PART III. INFORMATION SHEET

In order that the applicant may have available information regarding the seeded acreage and production of wheat during the years of the base period, the county committee should have such information copied from Wheat 201 or Wheat 203 on Form FCI-11, which will be provided by the Corporation for that purpose. The county committee should have these forms prepared and furnish them to crop insurance representatives before the wheat grower is solicited. They shall be prepared for each farm that is thought to be identical with a 1936 farm for which a Form Wheat 201 was prepared.

Section I of this Information Sheet is to be executed in the county office.

Section II is to be executed in the county office. Annual figures for acres seeded and total production for the years 1930, 1931, and 1932 shall be transcribed from columns E and F of Section II of Form Wheat 201. If there are no figures in such columns the figures from columns A and C shall be used. For the years 1933, 1934, and 1935 figures from columns A and C shall be used. If Form Wheat 201 is not available, data on annual seeded acreage and production may be taken from Form Wheat 203 using information in columns 13 to 18, inclusive, for seeded acreage and columns 29 to 34, inclusive, for production.

Section III will be executed by the crop insurance representative. He should check the description of the farm on the information sheet with the description of the farm entered on the application for crop insurance and determine if the farm for which the insurance applica-

tion is prepared is identical with the farm from which the information in Section II was prepared.

Under remarks, the representative should state any information he thinks will be of value to the county committee in checking or correcting the application or making appraisal if an appraisal will be necessary. If an appraisal will have to be made, the representative should indicate farms in the community, where applicable and reliable data are available, which in his opinion are similar in soil type and farmed in a similar manner. If more space for remarks is desired, the reverse side may be used.

The information sheet should be saved and filed with the county committee's copy of the application.

PART IV. APPLICATION

The applicant should be urged to read the application form carefully before filling in the blanks thereon.

The application shows the types of losses that are covered by the insurance as well as those not covered by the insurance. It also contains provisions to which the applicant agrees and the warranties and representations that he makes. His application, the insurance policy, and the regulations, together form his insurance contract with the Corporation. For the applicant's information stipulations of the policy are printed on the reverse side of the application. Copies of the regulations will be available at the office of the county committee, and a copy will be mailed to the applicant with the premium notice.

Since this application is part of the insurance contract, it should be prepared in good legible form with indelible pencil or on a typewriter. There must be no erasures. Any correction of errors must be made by lining out the error and inserting the correction. Such correction must be initialed by the applicant and by the person who witnessed the correction.

Application forms are furnished in quadruplicate with carbon paper. After applicant has signed the application, the original and the first carbon copy shall be forwarded to the State Office for transmittal to the Branch Office of the Corporation. The carbon paper should be removed before the applications are forwarded to the State Office. The original will be kept in the Branch Office of the Corporation and the carbon copy with a copy of the insurance policy will be returned to the insured. The second carbon shall be filed in the office of the county committee and the third carbon copy, with the stipulations printed on the reverse side, shall be given to the applicant.

Application forms will be numbered serially, bound in pads of twenty-five sets, and charged to the county committee. All application forms must be accounted for and unused or spoiled forms returned to the Corporation, through the State Office. This precaution is necessary to prevent misuse that might be made of application forms if they were available to the public. Serial numbers on application forms should not be confused with the application number given by the county committee.

Paragraph 1—Name and Address.

The name and address of the applicant should be printed or typed. The name and initials of the applicant should be identical with those

used on Agricultural Conservation Program forms. The signature of the applicant must be identical with the name as shown at the top of the application.

Paragraph 2—Insured Percentage.

The applicant should enter 50 or 75 in the blank space provided for percent insurance. Application may be made for either 50 percent or 75 percent insurance but the Corporation may limit the insurance to 50 percent of the adjusted average yield for the farm, notwithstanding that the applicant requested 75 percent. The crop insurance representative should make clear to the applicant that the premium rate on 50 percent insurance will be lower than on 75 percent insurance, for the lower rate on 50 percent insurance may be more attractive to the applicant than the higher coverage under 75 percent. If the committee anticipates in advance that it would not recommend 75 percent insurance on some farm, the crop insurance representative should be notified that he should not emphasize that amount of coverage. Paragraph 2 should nevertheless contain the percent insurance requested by the applicant.

Paragraph 3—Description of Farm.

Spaces are provided in Paragraph 3 of the application for both the general and legal description of the farm.

General Description.—In the first blank there should be inserted the name by which the farm is locally known. If there is no general or local name for the farm the word "None" should be written in the appropriate space. In cases where the applicant operates only a portion of the farm as generally known, such portion should be so indicated.

In the second blank there should be inserted the total number of acres operated by the applicant.

In the third, fourth, and fifth blanks there should be inserted the name of the nearest city, town, or village, and the distance and direction therefrom to the farm.

In the sixth blank there should be inserted the name of the road (Federal, State, county, or private) nearest to the farm.

In the seventh blank there should be inserted the name of the county in which such farm is located. If there is no farmstead or principal building on the farm there should be inserted in this space the name of the county in which the major portion of the farm is located. In a similar manner there should be inserted the name of the State.

Legal Description.—In the following three lines there should be entered the legal description of the farm. If the space provided is not sufficient for a complete legal description, such description may be given on a paper attached to the application. In such cases, words of reference incorporating the additional information should be written in the application.

Where the farm contains range land separate from the farm proper, the legal description of such range land need not be included, provided that the legal description be given of all subdivisions on which there is cultivated land.

It is essential that the description of the farm (whether both general and legal, or only general in those cases where the legal description cannot be readily or conveniently given) should conform to the map of the farm on Form FCI-12 so that such map will be supplementary to the description of the farm required herein. In

every case the aforesaid map *must be clearly identifiable* with the description of the farm furnished in Paragraph 3 of the application.

In connection with the description of the farm, attention is called particularly to the definition of a farm for insurance purposes in Part XI of the Regulations.

Where farm land which would otherwise be designated as a single farm is operated as a single unit, but a portion of the land is irrigated land and the remaining portion is dry land, then the irrigated portions and dry-land portions of such land shall be considered separate farms if seeded acreage and production data for the individual years of the base period are available separately, and can be substantiated. In those cases, separate applications should be prepared for the irrigated land and nonirrigated land, respectively, and each application given a separate application number.

Paragraph 4—Operator and Landlord.

In Paragraph 4 of the application, space is provided for the name and address of the operator and landlord, if any, relationship to farm and percentage of interest in the 1939 wheat crop. Be sure that the name of the applicant is indicated by a check mark. Separate policies will be issued to landlord and operator, but it is desirable that both landlord and operator file applications at the same time so that the declared interest of each in the wheat crop may be checked. The farm as described in the application and the basic data must be identical for both landlord and operator. *A single application number will be given to all applications for the same farm* and an identifying letter will indicate whether the applicant is the landlord or the operator. The letter "L" following the number will indicate the landlord and the letter "T" following the number will indicate the tenant. When the owner himself is the operator no qualifying letter will be added. (Where separate applications are made for irrigated and nonirrigated land on a farm, such parts shall be considered separate farms and will have separate application numbers.)

Space is provided for two operators and two landlords. If it happens, for instance, that there should be three joint operators with one owner, one space for name of the landlord should be changed to "Name of operator." In preparing the column showing the percentage of interest in the 1939 wheat crop, all percentages should be expressed in decimals carried to the nearest tenth of one percent. Thus $\frac{1}{3}$ interest in the crop should be stated as 33.3 and $\frac{2}{3}$ interest as 66.7.

In connection with the preparation of this paragraph, attention is specifically called to the definition of "owner" as given in Section 1 of the Regulations.

Paragraph 5—Wheat Acreage and Map of Farm.

The table in Paragraph 5 of the application must show the number of acres that the applicant anticipates seeding to wheat for harvest as grain and the acres that he anticipates seeding to wheat for purposes other than harvest as grain. Grain mixtures which include wheat (commonly known as succotash), that are seeded on the farm shall not be deemed to be either "wheat for harvest as grain" or "wheat for purposes other than harvest as grain." The insurance policy covers all wheat produced on the farm and not the wheat

produced on certain specified acres. The acreage seeded to wheat for harvest as grain will be the basis for determining the total amount of insured production for the farm and will be the basis for determining the amount of premium. Nevertheless, the total wheat harvested as grain on a farm, whether from acres seeded for harvest as grain or not, will be used in determining the amount of loss, if any, that will be indemnified. (See Section 71-a of Regulations.)

The purpose of making the insurance apply to the farm rather than to specific acres is that if an applicant were permitted to insure only a part of his wheat acreage it would be possible for him to insure his poorest wheat land and carry the risk himself on his better wheat land. Such a practice would also present a very difficult problem of segregating the wheat on acres insured from the wheat on acres not insured. Consequently, the insurance will be written to cover the farm and not just a certain acreage on the farm.

If all or any of the land to be seeded to wheat for harvest as grain is irrigated, the acreage to be seeded to wheat on irrigated land must be indicated in Paragraph 5 of the application. This is to be done by striking out the heading in one of the columns that is not needed and inserting a new heading "acres to be seeded to wheat for harvest as grain on irrigated land."

Form FCI-12 is a map of the farm which must be attached to the application and made a part thereof. It shall be executed in quadruplicate: the original and the first carbon copy to be sent with the copies of the application, one carbon to be kept by the county committee, and one copy by the applicant. One of the copies will subsequently be returned to the applicant with his policy and application.

Separate maps must be made to accompany each application. Care must be taken to enter the same application number on the map as appears on the application. If there are both a landlord and a tenant for the farm, enter the name of each. If the farm is owner-operated, enter the word "None" in the blank following "Name of landlord."

The dots are so arranged on the map that by using a scale of 40 rods between dots and 10 acres to the square, one section covers the entire area within the boundary. On large farms, using a scale of 80 rods between dots and 40 acres in each square, four sections can be mapped within the boundaries.

The larger the map is drawn, the more clearly the fields can be indicated; so the map should be as large as possible and still scaled to fit within the boundaries. Indicate what scale was used. Show the location of the farmstead, and indicate by a double line the location of public or private roads, lanes, or streams, and of State or county lines adjoining or through the farm. This map must be clearly identifiable with the description of the farm furnished in Paragraph 3 of the application.

Show clearly the shape and acreage of the fields to be seeded to wheat for harvest in 1939 and fields to be seeded to wheat for other purposes. Care should be taken that they are drawn to the same scale as the map itself. Indicate on the map that such fields are to be seeded to wheat for harvest as grain or for other purposes by entering the applicable statement "wheat for harvest" or "wheat not

for harvest", as the case may be, within the boundary of such fields, and indicate the number of acres in the field by entering such number immediately below the wording. If both winter wheat and spring wheat are to be seeded indicate clearly the acreage for each. Lines separating fields of the farm should be dotted lines.

Applicants should be informed that the map will be checked by field inspection and if the acreage seeded to wheat for harvest as grain is less, or different, than indicated on the map, and the Corporation determines that the risk is greater than it would be if the wheat were planted as indicated on the map, the policy may be voided.

Paragraph 6—Reseeding.

Paragraph 6 in the application calls for information regarding the practice of reseeding in the community where the farm is located. This item in the application calls for information only. It will be noted in the first paragraph of the application that the insurance policy does not provide for indemnification of loss of yield by failure to reseed to wheat in areas and under circumstances where it is customary to reseed to wheat. Thus, even though the applicant states that it is not customary in his community to reseed acreage to wheat, he may not be protected against loss of yield from this cause if the Corporation finds that it has been customary in his community to reseed. Nevertheless, the county committee should not accept applications in which the statement of the applicant with regard to the practice is obviously incorrect.

In areas where reseeding is customary, the crop loss experience on which premiums are based is not as bad as it would have been had it not been the practice in the area to reseed. Consequently, the yields of farms in such areas are higher and the premium lower than would be necessary if farmers with insurance contracts could collect indemnity because their first seeding failed. To insure a crop from the first seeding only in such areas would be taking a risk greater than the premium rates would justify.

Paragraph 7—Choice of Delivery Point.

In Paragraph 7 the applicant may, if he elects to deliver his premium in wheat, indicate a first and second choice of warehouses in his locality to which he desires to deliver his premium. The premium notice will indicate to which warehouse the wheat must be delivered. The Corporation, for various reasons, may not find it advisable to use either of the warehouses specified by the applicant and may indicate in the premium notice some other warehouse in the area at which the applicant must deliver the wheat if he pays in wheat. Should the applicant not desire to deliver his wheat to the warehouse indicated in the premium notice, he still has the option of paying the premium in cash.

Paragraph 8—Wheat Acreage, Production, and Yields in Base Period.

Paragraph 8 provides the basis for determining the amount of insurance per acre and the premium rate per acre, and consequently proper preparation of Paragraph 8 is of major importance.

In the programs of the Agricultural Adjustment Administration the objective of obtaining yield data for individual farms has been to determine an average or normal level of production. Crop insurance introduces a new aspect of yield data. For crop insurance purposes, variability in yields is just as important as the general level of yields. It is the variability in yields that determines the extent of the losses

that the Corporation will have to bear. It is, therefore, the variability in yields that determines the premium rate.

For that reason it becomes necessary in this program to use actual data for annual yields in base years, except as specifically provided for under the provisions for appraisal of yields in cases where actual data are not available. Approximations to yields in base period years will not provide a record of variability on which premium rates can be based. Almost all estimates and approximations tend to be influenced by average figures and consequently the real variability from year to year would not be shown.

In no case should the county committee accept annual acreage and production figures that are merely estimated. Reported acreage and production figures should be substantiated for it is only on actual historical data that reliable premium rates can be computed. Acreage and production data from Form Wheat 201 or Form Wheat 203 will be acceptable unless unreliable.

The Agricultural Adjustment Program for 1938 provides, in some sections, for the use of normal yields. For crop insurance purposes normal yields are not applicable for it is against subnormal yields that crop insurance provides protection. To determine the real crop loss experience, the abnormally low yields must be included in the history.

Columns are provided in the table in Paragraph 8 of the application for figures to be furnished by the applicant, by the county committee, and by the Corporation. Columns to be filled in by the applicant are: Column (b), Total Acres Seeded; Column (c), Acres Seeded Following Summer Fallow; and Column (d), Total Production in Bushels. Column (c), relating to summer fallow, will be applicable only in certain parts of the country. Data furnished by the applicant in such column will be used by the county committee in determining an average yield for the farm as explained in these instructions in Part V covering appraisals.

Space is provided for all years from 1930–38, inclusive. Data for the years 1930–35 are used in determining the amount of insurance per acre and the premium rate per acre for the 1939 policy year. Yield data on farms for years subsequent to 1935 were not available when actuarial data were prepared. Consequently, for the policy year 1939 the applicant's yield data for years following 1935 will not be used. Such data must be reported, however, on this application in anticipation of their use in subsequent years and shall be checked by the county committee as carefully as the data for 1930–35. Such data will serve as a basis for actuarial computations by the Corporation looking toward a revision of rates in later years and, being on file in the county office, will serve for preparing applications in future years. It will be easier for the county committees to check such data now than to check it in later years. Information regarding production in 1938 may not be available in all areas at the time that applications for the 1939 policy year are prepared, but in areas where combining or threshing has been completed at the time the application is written these data should be obtained and checked.

If the farm for which the application is made is identical with one for which a Form Wheat 201 was prepared, acreage and production data from Form Wheat 201 may be used if reliable and applicable. (Subject to exceptions noted below.) If Form Wheat 201 is not avail-

able, Form Wheat 203 may be used. (See Instructions for information Sheet—Part III.) Cases of overstatement of yields and understatement of variability in yields from Form Wheat 201 or Form Wheat 203 should be modified by the County Committee in its recommendations so as to reflect as nearly as possible the actual figure for each year, or if that is impossible the average yield for the base period should be appraised. The latter plan should be used if there is question as to the reliability of the data in more than two years of the base period.

The footnotes to the table (Paragraph 8) indicate what should be included in seeded acreage and in total production. Except for the last sentence of the first footnote and the last part of the second footnote after the semicolon, these footnotes are in conformity with the instructions for the 1936-39 wheat adjustment program, and consequently data from Forms Wheat 201 or Wheat 203 will conform to the requirements of these footnotes (subject to the above exceptions).

The last part of the second footnote (Paragraph 8) is an important exception to the use of data from the Forms Wheat 201 and Wheat 203. Under the wheat adjustment program, wheat that matured, but which was destroyed by some cause before threshing, was considered as production. Under the insurance program such losses before threshing or before October 1, if not threshed by that time, would be indemnified and consequently wheat so destroyed cannot be treated as produced in the basic data for computing the amount of insurance per acre and the premium. Inquiry should be made of the applicant whether any such loss occurred during the base period that is not reflected in the data on Forms Wheat 201 and Wheat 203 and the files of the county committee relative to the applicant's farm should be examined to see if any correspondence or other information indicated that such destruction occurred.

Space is provided in the application for explanation of exceptionally high or exceptionally low yields in any of the years. Information in this space will give some indication as to the reliability of reported figures and some information as to the causes of losses.

Two columns are provided in the table for the use of the county committee. The applicant is not asked to report the yield per acre; the county committee shall compute the yields from Columns (b) and (d) and place the results in Column (e). Attention is called here to the method of treating fractions of bushels as specified in Section 121 of the Regulations. Computations should be verified. Column (f), reserved for the use of the county committee, provides space for a recommended yield. Where the committee approves the calculated yield—Column (e)—they should indicate their approval by entering the same yield in Column (f) as in Column (e). If there is no calculated yield in Column (e), or the county committee does not approve of the yield that is there, they shall enter the yield that they recommend in Column (f). If only the average yield for the base period is appraised, it shall be placed in the space provided for such figure at the foot of Column (f). Adequate explanation shall be made on Form FCI-13 for each change shown in Column (f).

PART V. APPRAISALS OF YIELDS

Appraisals of yields that are made by the county committee shall be made on the basis of the production for the years of the base

period, 1930-35. They shall be made on the basis of yields per seeded acre. Where no wheat was seeded or where yield data are missing, or inapplicable, or are unreliable for either one or two years of the base period, the county committee shall appraise the annual yields for such years. *Where such is the case for more than two years of the base period the county committee shall appraise the average yield for the base period.*

In cases where the county committee appraises the yield for individual years of the base period it shall base such appraisal on reliable records of yields on the farm for other similar years of the base period and on yields in such years on similar farms in the county which were farmed in a similar manner.

It should be noted that the county average yield ¹ shall not be used in making the appraisal for individual years. In selecting similar years on the same farm as the basis for the appraisal, attention should be given to weather conditions, insect infestation, plant diseases, etc. In selecting similar farms on which to base an appraisal for any one year attention should be given to the types of soil, farming practices, and farming ability of the operators. It is not necessary that the similar farms selected shall be in the same community as the farm for which the appraisal is made, but if it is possible to find similar farms that were farmed in a similar manner in the same community it would be desirable to use the farms in the community rather than farms in another part of the county.

Where appraisal is made of the average yield for the base period the factors to be taken into consideration are the records available for the farm itself, average yields on similar farms in the county which were farmed in a similar manner, and the average yield for the county for the base period. *(The county average yield for the base period wherever used in these instructions means the county average yield of wheat for sample farms in the county for the six years 1930-35 as shown in the actuarial tables.)* The determination of similar farms under this procedure should be the same as in the procedure outlined above. The county average must not be used exclusively without consideration of the other factors. The total acreage for which appraisals above the county average for the base period are made must be approximately the same as the acreage for which appraisals are made below the average, taking into consideration the amount of variation above and below the county average yield.

The committee will find it necessary to appraise yields on many farms where the data on Form Wheat 201 are not applicable because of changes in the manner of farming. In some localities this may often be necessary because of changes in the practice of summer fallow. Where the data in Column (c), Paragraph 8, of the application show that all or part of the wheat was planted in the base period on summer-fallowed land but in the policy year only a small part of the wheat, if any, is to be planted on land that has been summer-fallowed, then the committee should consider such data for the base period inapplicable and appraise a yield for the farm that is comparable to a similar farm where summer fallow was not practiced in the base period. In many cases the reverse situation may be found, i. e., where the

¹ The county average yield for the base period means the average yield of wheat per acre for the 6-year period 1930-35, both inclusive, on sample farms in the county selected by the Corporation for actuarial purposes, as shown in the actuarial tables.

data for the base period show no wheat or only a small percentage planted on summer-fallowed land but the intention as shown in the application is to plant a larger percentage on fallowed land in the policy year. This is sufficient basis for the committee to determine such data as inapplicable for the farm and make an appraisal for the farm more in line with the yield that may be expected from the summer-fallowed acreage.

Before making an appraisal larger than that shown by the actual data in the base period, committeemen should examine the records of production in 1936, 1937 and 1938, and, if wheat was planted on fallowed land in those years, determine if such practice actually did tend to increase the yields over wheat planted on acres not summer-fallowed. The committeemen should also carefully investigate the method of fallow practice followed by the farmer and determine if his method is apt to store sufficient moisture in the subsoil to increase the yields. An inspection will be made of the farm and the acreage seeded to wheat a short time after the wheat is seeded. If at that time it is determined that the acreage seeded to wheat on summer fallow land is substantially less than that indicated in the table in Paragraph 5, the Corporation may void the policy. In view of the applicant's warranty in Paragraph 14 of the application that the land seeded to wheat for harvest as grain will be planted and cared for in a good workmanlike manner, careful attention should be given by the inspector to the method of fallow practice to determine whether the time and method used was such as would tend to properly accumulate and store moisture.

If the application for insurance indicates that both irrigated and nonirrigated wheat land will be seeded to wheat for harvest as grain, but the proportion of wheat land irrigated during the years of the base period differed substantially from year to year, or, if the proportion in such years differs substantially from the proportion to be irrigated during the policy year, the record of annual acreage and production should be considered inapplicable and the county committee should appraise the average yield of wheat for the farm for the base period.

In determining the adjusted average yield for the farm, the adjustment figure shall be that applicable to irrigated land if more than two-thirds of the acreage seeded to wheat for harvest as grain during the policy year is irrigated. Otherwise, the adjustment figure shall be that applicable to nonirrigated land.

In cases where yields are appraised for the base period, the regulations provide that the Corporation shall appraise the loss cost. (See Section 51 of the Regulations.) In doing this it will rely in large measure on recommendations of the county committee. County committees shall submit on their certificate, Form FCI-13 in such cases, the percentage that they believe the applicant's loss cost would be of the county average loss cost for the base period. Thus, the committee may recommend that the loss cost for a farm on which the yield for the base period is appraised shall be, for example, 125 percent of or possibly 90 percent of the county average.

The county committee shall keep a record of its recommendations. The total acreage for which recommendations above the average are made must be approximately the same as the acreage for which recommendations are made below the average, taking into consideration

the differences in the percentages. Variance from county average on yield does not necessarily indicate a similar variance with regard to loss cost. The fact that a yield was appraised above the county average does not indicate that the loss cost should be recommended either above the county average or below the county average. *Appraisal of yields and recommendation of loss cost should be independent.*

PART VI. SIGNATURES ON APPLICATION

The signature of the applicant should be in the style in which he customarily signs business documents. Care should be taken that the signature is identical with the name of the applicant as printed in Paragraph 1 of the application. The date and place of signature should be indicated in the blanks provided for that purpose. The applicant's signature should be witnessed on the line provided for the witness' signature opposite the applicant's signature. Only one witness is required for each applicant.

If the application is made by several persons jointly, each must sign the application and each signature must be separately witnessed. Where the application is made by more than one person, both lines on the right side of the space for signatures may be utilized, striking out the inapplicable words. Additional lines may be drawn if necessary.

Where an application is signed by an agent, the name of the principal should be inserted on the line designated for the signature of the applicant and the agent's signature must appear in the line below it, properly witnessed.

Applications may be executed by a duly authorized officer of a corporation, firm, association, or other legal entity, or by an agent, or by a member of a partnership, or by a fiduciary, provided proper evidence of the authority of such officer, agent, or fiduciary is presented; such evidence to be in accordance with Form FCI-27, "Instructions on Signatures and Authorizations Relating to the Federal Crop Insurance Program." The county committee is charged with the responsibility of determining to the best of their ability that a representative has proper authority to act and the execution of the Certificate of County Committee, Form FCI-13, shall constitute a certificate of the county committee by a member thereof that they believe that the person who signs the application in a representative capacity does possess the necessary authority to act. Evidence of the authority of such person or persons to act in a representative capacity must be transmitted to the Corporation with applications signed by them.

PART VII. RECOMMENDATIONS OF COUNTY COMMITTEE ON FORMS FCI-13 AND FCI-14

Applications should be carefully checked before being forwarded to the State Office. After checking they should be stamped with the State and county code number and numbered serially starting with the number one for the first application in the respective county and continuing in numerical sequence. All applications for the same farm must have the same application number. The application number for landlords shall be followed by the letter "L". The application number for tenants shall be followed by the letter "T". The appli-

cation number on supplementary applications shall be followed by the letters "Sup".

Attached to each application that it approves, the county committee shall furnish a certificate on Form FCI-13 stating its recommendations. On applications that it disapproves the committee shall attach Form FCI-14 stating its recommendations for rejection and the reasons therefor. All applications, whether the county committee recommends acceptance or rejection, *must* be transmitted to the State Office.

The county committee shall recommend to the Corporation on its certificate the percentage insurance that should be used. If the present operator of the farm was not the operator during the major part of the base period and if his ability as a farmer is questionable, or unknown, the county committee should carefully consider recommending only 50 percent insurance. If the county committee questions whether the land planted to wheat is capable of producing the adjusted average yield for the farm, it may recommend that the application be rejected, or in questionable cases where the committee is uncertain, it might recommend that the insurance percentage be limited to 50 percent.

The committee should state also whether production and acreage data are identical with data that were used for the farm on Wheat 201 or Wheat 203.

Space is provided on the certificate for remarks to include (1) explanation of deviations of production and acreage data from Forms Wheat 201 or Wheat 203, (2) the basis for appraised yields, and (3) the basis for any other recommendations in Column (f) of the application, and (4) recommendations for loss cost and basis therefor. In this space the county committee shall state clearly the basis for its recommendations on yields and loss costs, citing what similar farms or what similar years were used as a basis for its recommendations.

The certificate of the county committee, both as to approval and rejection, are *confidential* reports of the committee to the Corporation.

PART VIII. TRANSMITTAL WITH ANALYSIS OF APPLICATIONS

Once each week, or in such less time that approximately 50 applications have been passed upon by the county committee, such applications should be mailed promptly to the office of the State Crop Insurance Supervisor for forwarding to the Branch Office.

Each application included in such mailing should be listed on Form FCI-15 or Form FCI-16, depending upon whether the application is based on appraisal or on historical data.

All applications for which an average yield for the base period has been appraised and recommendations for loss costs made, must be listed on, and forwarded with, two copies of Form FCI-15. The applications should be sorted into two groups: (1) Those applications with yields appraised above the county average for the base period, and (2) those appraised below the county average. Applications appraised above the county average should be listed in the upper half of the form. Those appraised below the county average should be listed on the lower half of the form as indicated thereon.

This method of listing is intended to give the county committee, the State Crop Insurance Supervisor and the Branch Office of the Corporation a rapid check on the general level of appraisals in the county. If too many of the applications appear in the upper half of the page, the county committee should determine whether or not there is adequate reason for appraising so many farms above the county average, taking into consideration the acreage and the amount of variation above and below the average. If there are good reasons, a letter of explanation should be attached.

At the bottom of the page are spaces for the total and average of appraised yields. This total should be a total of all figures in the yield column, including both those above and below the county average. The average is that total divided by the number of applications. This average figure is intended as an additional check of appraisals sent in for the county, against the average yield for the base period for the county.

At the bottom of the recommended loss costs column, the "Total" and "Average" spaces are similarly computed. For this column the average should ordinarily be approximately 100%. If this average is noticeably lower than 100%, an adequate explanation should be given in a letter.

All applications for which the average yield for the base period was computed from annual yields should be listed on Form FCI-16. It is suggested that on each application the figures in Column (f) for the years 1930-35, inclusive, be totaled on an adding machine, that the adding machine tape be detached, the average be computed below the total on the tape, the tape be attached by a clip to the application and be forwarded with the application. This average figure should be listed on Form FCI-16 in Column 3.

The two transmittal sheets (Forms FCI-15 and FCI-16), the application (with maps attached) and the certificate of the county committee for each application, should be mailed promptly to the State Crop Insurance Supervisor.

The county committee should prepare an outline map of the county (may be mimeographed) of the same dimensions as the transmittal sheets. For each application a dot should be placed on the map showing the approximate location of the farm in the county and the application number should be placed beside the dot. One copy of such map shall be mailed with each group of applications submitted.

PART IX. COLLECTION OF AND RECEIPT FOR PREMIUMS

It shall be the duty of the County Insurance Supervisor to receive for transmittal to the Corporation all payments of premiums on insurance. The County Insurance Supervisor will receive and shall keep on file copies of the premium notices sent to applicants. Upon payment of the premium the County Insurance Supervisor shall give a receipt therefor, on Form FCI-26, which will be furnished by the Corporation.

Warehouse Receipts.—Premiums paid in wheat must be paid in the form of a negotiable warehouse receipt. Section 61 of the Regulations gives the conditions upon which warehouse receipts may be accepted. The County Insurance Supervisor shall examine the receipt tendered by the applicant to see (1) that the warehouse receipt is issued by the

warehouse specified in the premium notice, (2) that it is issued to, or indorsed to, the applicant, (3) that the receipt gives no evidence of liens for warehouse charges or other liens outstanding against the wheat represented thereby, (4) that the warehouse receipt represents a class and grade of wheat specified on the premium notice as acceptable, (5) that the *net* quantity of wheat specified on the receipt is equal to the quantity specified in the premium notice for the class and grade of wheat to be delivered, (6) that the warehouse receipt is negotiable, and (7) that the wheat represented by the warehouse receipt is not of a lower grade than No. 3 nor wheat which is not classified as a straight or unqualified grade.

This examination is tentative and for the purpose of preventing the submission of warehouse receipts that are not acceptable. Premiums shall not be regarded as paid until the warehouse receipts used in payment of such premiums are accepted by a representative of the Corporation duly authorized for that purpose.

If the County Insurance Supervisor finds from his examination of the warehouse receipt that it does not meet the requirements set forth herein, he should advise the applicant of such fact and indicate in what manner the warehouse receipt does not conform.

If it is determined that the warehouse receipt conforms to the above-stated requirements, the indorsement of the warehouse receipt should then be made in the following form:

Deliver to the order of
The Federal Crop Insurance Corporation

and then be signed thereunder by all persons whose interest is being transferred.

On many forms of warehouse receipts a space is provided for certification by the holder of his ownership of the grain represented thereby and that it is free from liens and encumbrances. On such warehouse receipts each person who indorsed to the Corporation must sign such statement.

Cash Items.—Receipts of premiums in cash, checks, money orders, shall be accepted in accordance with Section 62 of the Regulations. Checks should be accepted only if the County Insurance Supervisor is reasonably certain that they will clear for payment. All checks and drafts will be accepted subject to collection. They must be made payable to, or indorsed to, the order of the Treasurer of the United States.

Cash received in payment of premiums shall be kept segregated and shall not be mingled with other funds of the County Insurance Supervisor or the county committee.

Receipts.—A receipt on Form FCI-26 shall be given by the County Insurance Supervisor to the applicant for each premium payment received. Form FCI-26 shall be executed in triplicate. The original shall be given to the applicant, one copy shall be retained in the county office, and the third copy shall be transmitted to the Branch Office of the Corporation together with the remittance which it covers. These forms will be serially numbered. Spoiled or unused forms must be accounted for and returned to the Branch Office.

Transmission of receipts.—All warehouse receipts, cash, checks, drafts, and money orders shall be in the custody of the County In-

insurance Supervisor, and shall be properly protected against theft and fire. He shall forward daily to the Branch Office of the Corporation by registered mail all warehouse receipts, checks, drafts, and money orders, together with two copies of Form FCI-28 and the copies of Forms FCI-26 covering the same. All cash received shall be transmitted by means of postal money orders, in accordance with the following procedure:

1. The County Insurance Supervisor will make himself known to the local postmaster by means of "Identification Card," Form FCI-30. The State Crop Insurance Supervisor will be instructed to countersign and issue such Identification Card to each County Insurance Supervisor in his State.

2. The County Insurance Supervisor shall prepare an application for a postal money order payable to the order of the Treasurer of the United States, drawn on the postmaster of the city in which is located the Regional Disbursing Office serving the Branch Office of the Corporation, in an amount representing the total amount of cash received during the day. In accordance with instructions to be issued by the Third Assistant Postmaster General of the United States, each postmaster will issue the required number of money orders of One Hundred Dollars (\$100.00) each and one money order of less than One Hundred Dollars (\$100.00) to balance to the total of the cash presented.

3. Fees covering the purchase of postal money orders will be paid by means of "Public Voucher for Purchases and Services Other Than Personal," Standard Form No. 1034, Revised, prepared by the County Insurance Supervisor in duplicate, that is, one Standard Form No. 1034, Revised, and one Standard Form No. 1034a, Revised. Recommendation for payment of the voucher in the lower left-hand corner must be signed by the County Insurance Supervisor. Receipt stubs for postal money orders purchased must be attached to the voucher given to the postmaster in payment of the fee. The regular fee for the payment of postal money orders shall be charged to the Federal Crop Insurance Corporation, *but payment of such fee is not to be made by the County Insurance Supervisors in cash.* A notation will be made by the postmaster on the face of the postal money order application, reading "Fees paid by Standard Form No. 1034, Revised." The postmaster, at the close of business on the last day of each month, will transmit all vouchers with the receipt stubs attached, to the appropriate Branch Office of the Corporation. These vouchers, after examination and audit, will be promptly certified for payment at the Branch Office of the Corporation.

Reports.—Daily telegraphic reports of the total amount of cash and the total number of *net* bushels of wheat represented by the warehouse receipts received for the day shall be made to the Branch Office of the Corporation. These reports should be sent in the following form:

----- (Name of County) ----- (Month and day) -----
 ----- net bushels and ----- dollars.

Cash items or *net* bushels of wheat represented by warehouse certificates received by the County Insurance Supervisor shall be reported only once and in no instance should there be duplication. In preparing the telegram, the County Insurance Supervisor shall use numbers rather than words in specifying the *net* bushels and dollars received. For example, use "900" rather than "nine hundred." On any day where the County Insurance Supervisor does not receive both warehouse receipts and money, only the item received should be reported in the telegram.

County Insurance Supervisors shall be bonded, the amount and type of bond to be determined by, and the cost of such bond paid by, the Corporation.

PART X. INSPECTION OF FARMS

An inspection shall be made of the insured crop as soon after seeding as it is possible for the inspector to determine what acreage has been seeded. This will normally be after the crop is up, although deviation from this plan will depend on the time and circumstances. Separate inspections shall be made for winter and spring wheat.

The inspector's report, on a form to be supplied by the Corporation, shall indicate whether the acreage seeded to wheat is actually identical with the acreage indicated in the application and on the map of the farm. If the acreage is not identical, a new map shall be prepared and signed by the operator or landlord. Before the inspection is made the application and map should be checked against aerial photographs if available and other Agricultural Conservation Program records so that the inspector shall have a better basis on which to make his inspection. He shall check the type of land on which the wheat seeded for harvest as grain was planted, the acreage on sandy, eroded, or otherwise inferior land, or on land that is subject to overflow or occasional floods. The inspector should check also wheat planted on land following summer fallow to determine the moisture in the soil. He should determine what preparation had been made of the seed bed, the number and kind of tillage operations, and what kind of crop had been grown on the land during the previous year. From the operator he should obtain information as to the date of preparation of the land for seeding, the approximate dates seeding was started and completed, the kind of variety of wheat that was seeded, the amount seeded per acre and whether the wheat was treated for smut. He should report also the amount of fertilizer used.

It is not possible to enumerate in the inspector's report all items that should be noted by the inspector, but a space is provided on the report on which all other significant facts should be reported.

The inspector's report shall be reviewed by the county committee. Comments and recommendations shall be noted thereon. The original shall be sent to the Branch Office of the Corporation, a carbon copy sent to the State Office, and a carbon copy kept on file in the office of the county committee.

PART XI. NOTICES OF DAMAGE, PROBABLE LOSS, TRANSFER, AND OTHER USE

Forms will be furnished the insured for notices that are required.

Such notice when received by the county committee shall be given prompt attention, investigated, and a report submitted to the Corporation with the original notice attached. A copy of all such notices shall be filed by the county committee with their copy of the application. If the written notice is prepared by the insured in the office of the county committee, a carbon copy for the county committee should be prepared at the same time. Otherwise the county committee should make a copy for its files.

PART XII. ASSIGNMENTS AND USE OF ASSIGNMENT FORM

Forms FCI-23 and FCI-29 are to be provided by the Corporation for the making of assignments. A wheat crop insurance policy may be assigned only as collateral security for a loan made for the payment of the premium or for the care of the insured crop, or in connection with the voluntary transfer by the insured of his entire interest in an insured crop before the crop is cut. Form FCI-23 shall be used with respect to assignments to secure loans made for the payment of premiums or for the care of the insured crop made in accordance with Section 106 (b) of the Regulations. Form FCI-29 shall be used in connection with assignments covering the voluntary transfer by the insured of his entire interest in an insured crop made in accordance with Section 106 (c) of the Regulations. *Form FCI-29, with appropriate instructions governing its use, will be distributed at a later date.*

USE OF FORM FCI-23

A. Purpose and Scope of Assignments.

1. *Premium Payment.*—An assignment may be given to secure repayment of cash or wheat advanced to the assignor to cover the payment of the premium.

2. *Cash or Advances for Care of Insured Crop.*—Assignments may likewise be given (1) to secure repayment of cash advanced to the assignor to cover the cost of supplies or services required by him to care for the insured crop, (2) to secure payment for supplies or services furnished to the assignor to care for the insured crop, or (3) to secure the repayment of cash or the cash value of supplies or services being advanced in successive installments or on the order of the assignor pursuant to a contract or agreement for the care of the insured crop. The amount of cash or the cash value of the supplies or services must be stated exactly. No assignment shall be recognized by the Corporation when it is given to secure repayment of an indefinite sum or for the total amount or a part of the total amount of any payment without stating the amount of the cash or the cash value of the supplies or services advanced or being advanced pursuant to the contract or agreement.

Loans for the care of an insured crop under Section 106 (b) of the Regulations means loans to finance the reseeding or harvesting of an insured crop, or for the purchase of necessities required by the assignor,

or persons dependent upon the assignor, for the purpose of caring for an insured crop.

3. *Discount, Interest, etc.*—The assignee's interest in any payment in connection with the policy shall not exceed the amount of the advance plus a reasonable amount for interest, discount, and other charges.

4. *Current Crop.*—The cash, supplies, or services must be advanced to the assignor to finance the care of a crop during the crop year current at the time the assignment is made and covered by the policy assigned and must not be made to secure or pay any preexisting indebtedness of any nature whatsoever. The assignment shall be effective only with respect to the payments which may be or may become due and payable to the assignor in connection with the policy of wheat crop insurance assigned and shall not affect any subsequent policy. Nothing contained herein shall be construed to authorize an assignment given to secure the payment of the whole or any part of the purchase price of a farm or the payment of the whole or any part of a cash or fixed commodity rent for a farm.

B. The Farm.

Each assignment must be limited to the policy with respect to a single farm.

C. Payment.

Payment may be made to the assignee and the assignor as their interests may appear or by joint check.

If separate payments are made, unless the indebtedness secured by the assignment has been repaid or otherwise discharged prior to the time payment under the policy is made, the amount of the payment to which the assignor is entitled in connection with his policy, or the amount equal to the indebtedness, or the amount of the indebtedness which remains unpaid or undischarged, whichever is the smallest, will be paid to the assignee. If the indebtedness secured by an assignment has not been repaid or otherwise discharged prior to the time payment is made by the Corporation, the amount of the payment to which the assignor is entitled under his policy in excess of the amount thereof assigned shall be paid to the assignor.

If payment is made to the assignee and the indebtedness secured by the assignment has been repaid in whole or in part before the payment is received by the assignee, the assignee shall receive the payment in trust to pay over to the assignor, in full and without discount, all of the payment except any amount of the indebtedness which remains unpaid or undischarged. If the indebtedness secured by an assignment has been repaid or otherwise discharged, and evidence thereof on Form FCI-23 has been filed prior to the time payment under the policy is made by the Corporation, payment shall be made to the assignor without regard to such assignment.

D. Execution of Assignment.

1. *In writing.*—The assignor must execute the original and three copies of Part I of Form FCI-23. Assignments will not be recognized by the Corporation unless made upon Form FCI-23.

2. *Execution of Part I of Form FCI-23.*—(a) Part I of Form FCI-23 must show the following information:

The State and county code and application number for the policy with respect to which the assignment is made and, where

the policy has been issued at the time of assignment, the policy number.

The typed or printed name of the assignor and his full mail address.

The amount of the cash or the cash value of the supplies or services advanced by the assignee to the assignor or the amount thereof which is being advanced to the assignor pursuant to the contract or agreement between the assignor and the assignee.

The typed or printed name of the assignee and his full mail address.

The rate of interest per annum, the amount of discount, if any, and other charges made in connection with the advance, and the full explanation of their nature.

The place at which the assignment was executed and the date thereof.

(b) Part I of Form FCI-23 shall be executed by the assignor and witnessed by a disinterested person, preferably a member of the county committee. This form shall be delivered to the office of the county committee for the county in which the insured farm is located for transmission to the Branch Office. An assignment made by a natural person other than an absentee landlord shall not be recognized by the Corporation when made by an agent of the assignor. An assignment may be executed by a duly authorized agent or officer of a corporation, firm, association, or other legal entity, or by the agent of a non-resident landlord, or by a member of a partnership, or an executor, administrator, or other fiduciary, provided proper evidence of the authority of such agent or fiduciary is presented; such evidence to be in accordance with Form FCI-27, "Instructions on Signatures and Authorizations Relating to the Federal Crop Insurance Program." In case any policy is or will be issued in the names of two or more persons jointly, any assignment thereof must be executed by each such person.

2. *Number of Assignments.*—Not more than one assignment of a policy with respect to a farm shall be recognized by the Corporation. The assignee may release an assignment previously filed by executing and filing Part III of Form FCI-23 and a new assignment may be executed and filed either in favor of the original assignee or another. Any released assignment must remain on file with the Corporation.

E. Representations of Assignee and Release of Assignment.

1. *Representations of Assignee.*—An assignment shall not be recognized by the Corporation unless and until the assignee, by executing and filing Part II of Form FCI-23, (a) represents that the advance was made to enable the assignor to pay the premium on the policy or to care for the insured crop, (b) states the amount of the advance actually made to the assignor which has not been repaid or otherwise discharged, (c) states the amount of any discount or other charges made in connection with the advance explaining their nature, and (d) agrees that he will receive any sum paid to him, by virtue of the assignment, in trust to pay over to the assignor in full and without discount any surplus thereof which may remain after discharging that part of the indebtedness under such assignment which remains unpaid or undischarged.

2. *Execution of Part II of Form FCI-23.*—(a) Part II of Form FCI-23 must show the following information:

The typed or printed name of the assignor and his full mail address.

The amount assigned which was advanced to the assignor and remains unpaid or undischarged at the time Part II of Form FCI-23 is executed.

The place at which Part II of Form FCI-23 was executed and the date of execution of Part II.

(b) Part II of Form FCI-23 must be signed by the assignee, witnessed by a disinterested person, and delivered to the office of the county committee for the county in which the farm is located for transmission to the Branch Office of the Corporation. Whenever Part II is executed by a person or persons acting on behalf of the assignee in a representative capacity or by operation of law, proper evidence of the authority of the person or persons must be presented; such evidence to be in accordance with Form FCI-27, "Instructions on Signatures and Authorizations Relating to the Federal Crop Insurance Program."

(c) Part II of Form FCI-23 may be executed on the same Form FCI-23 bearing the execution of Part I of Form FCI-23, or Part II of Form FCI-23 may also be executed on a separate Form FCI-23 provided it is accurately identified by means of the State and county code and policy number of the policy, if issued, and the identifying number of the assignment to which it relates.

3. *Release of Assignment.*—When the indebtedness in respect of which an assignment was given is paid or otherwise discharged prior to the time payment is made by the Corporation to the assignor, the assignee shall forthwith execute Part III of a Form FCI-23 and deliver to the office of the county committee for the county in which the farm is located for transmission to the Branch Office of the Corporation. Released assignments shall remain on file with the Corporation. Part III of Form FCI-23 must be signed by the assignee in the presence of a disinterested person and must show the typed or printed name of the assignor and his full mail address and the place and date of execution. In the event of the death, incompetency, insolvency, or bankruptcy of the assignee, Part III of Form FCI-23 must be executed by the person or persons authorized by law to administer the personal estate of the assignee. Whenever Part III of Form FCI-23 is executed by a person or persons acting on behalf of the assignee in a representative capacity or by operation of law, proper evidence of the authority of the person or persons must be presented; such evidence to be in accordance with Form FCI-27, "Instructions on Signatures and Authorizations Relating to the Federal Crop Insurance Program." Part III of Form FCI-23 must be executed on a separate Form FCI-23 and it must be accurately identified by means of the State and county code and related policy number.

F. Filing and Priority.

1. *Manner of Filing Assignments.*—An assignment shall not be recognized by the Corporation unless Parts I and II of Form FCI-23 are executed and submitted in accordance with the manner provided herein, and prior to the time that payment of indemnity is made by the Corporation under the policy to which such assignment relates.

2. *Time of Filing.*—The County Insurance Supervisor or the county committee shall enter on each Form FCI-23 the date and hour on which such form was filed with the county committee.

3. *Copies for Assignor and Assignee.*—The original and three copies of this form must be filed in the office of the county committee for the county where the farm covered or to be covered by the policy is located. All four copies shall be sent to the Branch Office of the Corporation; the original copy will be retained by the Corporation, and the three remaining copies will be returned to the county committee. The county committee shall mail one copy to the assignor, one to the assignee, and retain the third copy in its files.

4. *Priority.*—Priority, in cases where more than one assignment of the same payment is made, shall be established in the order of date of receipt in the office of the county committee for the county in which the farm is located, subject, however, to acceptance of assignments by the Corporation.

5. *Forwarding to Branch Office.*—All Forms FCI-23 filed in the county office, whether one or more parts have been executed, shall be forwarded without delay to the Branch Office of the Corporation together with proper evidence of the authority of agents, corporate officers, and fiduciaries.

G. Miscellaneous.

1. *Misrepresentations.*—If the county committee or County Insurance Supervisor shall have reason to suspect that any material misrepresentation was made by the assignor or the assignee, or both, in executing Form FCI-23, they shall forthwith give notice thereof to the assignor and the assignee requesting them to show affirmatively whether or not any material fact was misrepresented in the execution of Form FCI-23. If, after investigation, it is determined that any material misrepresentation was, in fact, made, a report thereof shall be made to the Branch Office of the Corporation. If such report is approved by the Corporation, the assignor and assignee shall be notified accordingly, and thereafter such assignment shall be treated as being void and of no effect.

2. *Forms FCI-23 Available at County Offices.*—A person who desires to assign payments which may be made to him under his crop insurance policy may secure copies of Form FCI-23 at the office of the county committee. Copies of Form FCI-23 will not be furnished to persons who intend to advance cash, supplies, or services to farmers. However, any person desiring to advance cash, supplies, or services to farmers may secure sample copies of Form FCI-23 at the office of the county committee.

3. *Effect of Assignment.*—All assignments shall be subject in all respects to the provisions of the insurance contract and regulations pertaining thereto and of Form FCI-23.

PART XIII. INSTRUCTIONS FOR THE EXECUTION OF PROGRESS REPORTS AND EXPENSE FORMS

Expenses of the administration of the program in the county for the first year will be provided for in the regularly approved budget for the County Agricultural Conservation Association. Since the expense incurred within the county will be submitted for payment along with the expense of the Agricultural Conservation Program, it will be necessary to keep accurate records of the expenses which are chargeable to the crop insurance program. This will be accomplished by the use of Progress and Expense Reports.

Form FCI-17, "Daily Report of Crop Insurance Representatives," shall be prepared at the end of each day and delivered or mailed to the county office. The representative should list only the names of those persons whom he actually solicited. In the case of applications completed he should enter the number of acres the grower expects to plant to wheat for harvest in 1939. If the application is not secured, he should state such reasons as will indicate whether any further efforts should be made to secure such application. Such statements as "not seeding wheat this fall" or "uncertain about acreage" are significant as to whether further attention should be given the grower. The representative may indicate the time worked either by entering the number of hours worked or by entering one day or fraction of a day.

Enter only the number of miles traveled in soliciting applications for crop insurance. In some States the mileage is included in the rate of pay to crop insurance representatives and in such cases this item should be left blank.

Enter for "Number of Applications" at the bottom of the form only those which are fully completed and submitted with this report. State the total number of persons actually solicited and the total acreage to be seeded for harvest as grain for those growers from whom completed applications are secured. Calculate the average cost per application secured and average cost per person solicited, and fill in the respective blanks. Space for remarks is available and such remarks should include any information which the representative believes will be of help to the county committee or County Insurance Supervisor in determining yields or loss costs. If more space is needed the reverse side of the report may be used. Form FCI-17 shall be filed and retained in the office of the county committee.

Form FCI-18, "Summary of Daily Reports of Crop Insurance Representatives," is for the use of the County Insurance Supervisor. It should be prepared by the County Insurance Supervisor as frequently as needed, or as frequently as the State Crop Insurance Supervisor may request, but in all cases semi-monthly for submission with the Semi-Monthly Expense Report to the State Office. After it has been prepared, the County Insurance Supervisor shall determine for each representative the average cost per solicitation and per application completed. After such determination, he shall review the work of the representatives. If such review shows that in some cases individual representatives are not capable of soliciting growers and completing applications in an efficient and economical manner, he shall recommend to the county committee the discharge of such representative and another person may be selected.

Form FCI-19, "Daily Report of Clerical Assistants," should be executed by the County Insurance Supervisor. One copy of the form may be used for all the clerical assistants in the county office. It is contemplated that, in some cases, clerical assistants in the employ of the county committee for the Agricultural Conservation Program may work part time on the crop insurance program. For that reason it is essential that this form be filled in each day in order that the actual number of hours chargeable to crop insurance can be determined. These reports shall be filed and retained in the office of the county committee unless such reports are requested by the State Office.

Form FCI-20, "Daily Report of Committeemen," shall be executed only for those days or parts of days that committeemen actually work on the crop insurance program.

Committeemen will undoubtedly find many days in which their time will be divided between the crop insurance program and the Agricultural Conservation Program. For this reason it is essential that committeemen execute the forms at the end of each day in which they have performed crop insurance duties.

In some States the mileage is included in the salary, in which event those spaces to be used for entries regarding mileage should be left blank. A brief statement concerning the kind of work performed should be given. These reports shall be filed and retained in the office of the county committee unless such reports are requested by the State Office.

Form FCI-21, "Semi-Monthly Expense Report of County Insurance Supervisor," is a report from the County Insurance Supervisor to the State Office. It shall be executed on the 15th and last day of each month unless such day falls on Sunday or a holiday, in which case it should be executed on the previous day. It will be the basis of approval or disapproval, by the State Crop Insurance Supervisor, of the expense being charged to the crop insurance program.

The County Insurance Supervisor should indicate in the upper right-hand corner the beginning date and ending date of the period. While mileage is allowed it shall not include travel of the County Insurance Supervisor between his home and the county office. Mileage for travel of the County Insurance Supervisor when actually engaged in field work for the Corporation shall be listed under "Field Expense."

In counties where the basis of pay for committeemen does not include mileage, these columns may be left blank. Separation is made in this report of the field expense and office expense in order that, if the State Crop Insurance Supervisor finds the total county expense excessive in a county, he will have this separation as a basis of determining whether the field or office expense, or both, are excessive.

It is contemplated that the office space and office equipment already being used by the Agricultural Conservation Committee will be sufficient for the requirements of the crop insurance program. However, certain materials such as mimeographing paper, pencils, ink, etc., may have to be purchased. Certain items of equipment such as filing cabinets may be necessary. Such items are chargeable to the crop insurance program and should be entered after the item "Other Expense." When other expense is to be included in this report, such other expense should be itemized on the reverse side of this form.

Since it will be necessary that the State Crop Insurance Supervisor have these reports at the end of each month before he will be able to approve the county expense charged to the crop insurance program, it is very essential that such reports be prepared *on time* and immediately mailed to the State Office. Otherwise, it would cause delay in the payment of all county expense.

Form FCI-22 is a report of State Crop Insurance Supervisors. It should be executed in duplicate and the original sent to the appropriate Branch Office of the Corporation, and the copy to the appropriate Regional Director of the Agricultural Adjustment Administration. After the form is executed the State Crop Insurance Supervisor should review the average cost per person solicited and an average cost per

application completed. In those counties where the expense seems excessive, he should cause an investigation to be made in order to determine and correct the cause of such excessive expense.

In those cases where he determines the County Insurance Supervisor does not appear capable of supervising the operation of the crop insurance program in an efficient and economical manner, he shall notify the county committee of his disapproval and another supervisor shall be selected.



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FEDERAL CROP INSURANCE CORPORATION
UNITED STATES DEPARTMENT OF AGRICULTURE
WASHINGTON, D. C.

INSTRUCTIONS

ON

SIGNATURES AND AUTHORIZATIONS

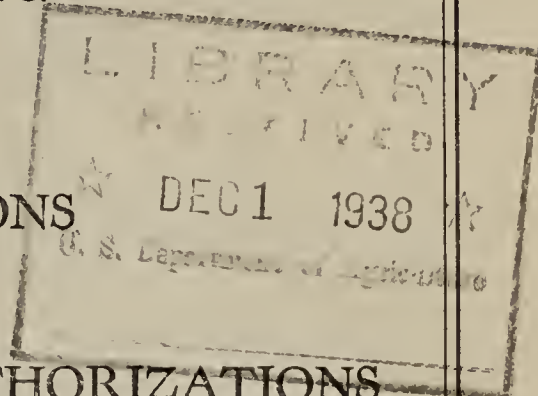
RELATING TO THE

FEDERAL CROP INSURANCE
PROGRAM

Issued May 26, 1938



UNITED STATES
GOVERNMENT PRINTING OFFICE
WASHINGTON : 1938





WHEAT CROP INSURANCE—SIGNATURES AND AUTHORIZATIONS

PART I. FOREWORD

These instructions are promulgated for the purpose of setting forth the requirements of the Federal Crop Insurance Corporation (hereinafter referred to as the "Corporation") with respect to the execution of applications for crop insurance and other forms or related papers (hereinafter referred to as "related forms"), used in the conduct of the crop insurance programs formulated pursuant to the provisions of the Federal Crop Insurance Act, and with respect to the evidence of authority which will be acceptable to the Corporation in connection with applications and related forms executed by a duly authorized officer of a corporation, firm, association, or other legal entity, or by an agent, or by a member of a partnership, or by a fiduciary.

These instructions, which shall govern the execution of applications and related forms pursuant to said act, are issued with a view to correlating the requirements as to signatures with the instructions stated in Form FCI-31, "Wheat Crop Insurance—County Procedure," relative to the preparation and disposition of applications and related forms.

PART II. GENERAL PROVISIONS

1. *Method of affixing signatures.*—All signatures must be in the original handwriting of the person signing and should be affixed in ink or indelible pencil.

2. *Witnesses to signatures.*—The signature of a person witnessing the signature to an application or related form must be affixed in ink or indelible pencil. The signature of a person signing as a witness will not be acceptable to the Corporation if made by a mark.

3. *Gender and plural meaning of terms.*—Any term used herein in the masculine or in the singular shall also be construed or applied in the feminine or neuter gender, or in the plural person, wherever the context or application of such term so requires.

PART III. SIGNATURE REQUIREMENTS

In all cases, the signature of a person to an application or related form should be affixed in the style in which such person customarily signs business documents, and to be acceptable to the Corporation, should be executed in the form and with the additional information prescribed as follows:

SECTION A. SIGNATURES OF INDIVIDUALS, COSIGNERS, AND SOLE PROPRIETORS

1. *Individual.*—The signature of a person for and on behalf of himself should be affixed in the style in which he customarily signs business documents.

a. Examples:

- (1) (Signature) John H. Doe.
- (2) (Signature) John Doe.

2. *Cosigners*.—The signatures of cosigners (joint-owners or joint-operators) should be affixed by each cosigner as an individual.

a. Example:

- (1) (Signature) John H. Doe.
- (Signature) Harry B. Roe.

3. *Sole proprietor*.—The signature of a sole proprietor for and on behalf of a business owned solely by himself should indicate the name of the business, preceding, and the fact that he is sole proprietor, following the signature.

a. Example:

- (1) XYZ Company by (Signature) John H. Doe,
Sole Proprietor.

SECTION B. SIGNATURES OF PERSONS SIGNING IN REPRESENTATIVE CAPACITIES

In the event an application or related form is signed in a representative or fiduciary capacity, the person signing should indicate the principal or the estate, as the case may be, and the capacity in which he signs. The signature should be in the following style:

1. *An agent*.—

- (a) John H. Doe by Richard Roe, Agent.
- (b) Jones and Smith, A Partnership, by Richard Roe, Agent.
- (c) A B C Company, Inc., by Richard Roe, Agent.

2. *An executor*.—

- (a) John H. Doe, Executor of the Estate of Richard Roe,
Deceased.

3. *An administrator*.—

- (a) John H. Doe, Administrator of the Estate of Richard Roe,
Deceased.

4. *A guardian or committee*.—

- (a) John H. Doe, Guardian (or Committee) of the Estate
of Harry Roe, Minor (or Incompetent).

5. *A trustee*.—

- (a) John H. Doe, Trustee for the Heirs of Richard Roe,
Deceased.

6. *A State, county, or municipal officer*.—

- (a) Douglas County, Michigan,
By John H. Doe, County Commissioner.
[SEAL]

7. *A Federal officer*.—

- (a) Such officer must indicate his title and the agency for
which he signs.
[SEAL]

8. *A member of a partnership*.—

- (a) Smith and Jones,
By John Smith, a partner.

9. *An officer of a corporation*.—

- (a) A B C Company, Inc.
By Richard Roe, President (or other officer).
[SEAL]

PART IV. EVIDENCE OF AUTHORITY FOR PERSONS SIGNING IN REPRESENTATIVE CAPACITIES

Any person signing an application or related forms in a representative capacity for acceptance by the Corporation should firmly attach the evidence of his authority to the executed paper for submission therewith, or where such evidence has been previously submitted to a branch office of the Corporation a notation of such fact should appear on the executed forms following the signature. Where the term "submitted" is used in Part IV with reference to authorizations, it means submitted to the branch office of the Corporation.

A file of authorizations for signatures will be maintained in each branch office of the Corporation and copies of such authorizations will be prepared and interchanged by the branch offices of the Corporation.

The County Agricultural Conservation Committees are charged with the responsibility of determining to the best of their ability that a person signing in a representative capacity has proper authority to act and that the authority is in full force and effect at the time of signing. The execution of the Certificate of County Committee, Form FCI-13, shall constitute a certification of the County Committee that the person who signed the application or related form in a representative capacity had proper authority so to act at the time of signing.

Power of Attorney Forms, Form FCI-32, "Power of Attorney for an Agent of a Principal Other Than a Corporation," and Form FCI-33, "Power of Attorney for an Agent of Corporation," are contained in Part V, herein. These forms or others containing substantially the same provisions should be used.

The types of evidence which will be acceptable to the Corporation as authorizing signatures to applications and related forms, by persons acting in designated representative capacities, are as follows:

1. *Administrator, executor, guardian, or committee.*—In the case of an administrator, executor, guardian, or committee signing applications and related forms for and on behalf of an estate, there should be submitted a court order authorizing the execution of such applications and related forms, signed by an officer of the court which issued such order, with the seal of the issuing court affixed. Where the court order is not obtainable, there may be submitted a true copy thereof, certified to be a true copy by an officer of the court which issued such order, with the seal of the issuing court affixed.

2. *Agent.*—

- (a) *For individual or sole proprietor.*—In the case of an agent acting for an individual or a sole proprietor, a Power of Attorney authorizing such agent to sign applications and related forms must be signed by the principal or sole proprietor, as the case may be, in accordance with the requirements set forth in Part III, Section A, 1 and 3, respectively, and should be sworn to by the principal or witnessed by a person other than the agent or principal.

- (b) *For partnership.*—In the case of an agent acting for a partnership, a Power of Attorney authorizing such agent to sign applications and related forms must be signed by the partnership through a member of the partnership authorized to sign for and on behalf of

the partnership, in accordance with the requirements set forth in Part III, Section B, 8, and such signature should be sworn to by the partner or witnessed by a person other than the agent or a member of the partnership.

(c) *For corporation.*—In the case of an agent acting for a corporation, a Power of Attorney authorizing such agent to sign applications and related forms must be signed for the corporation by an authorized officer thereof, in accordance with the requirements set forth in Part III, Section B, 9, and such signature must be sworn to by such officer or witnessed by a person other than the agent or signing officer. In addition, there must accompany such Power of Attorney, a copy of the resolution, or the pertinent by-law, adopted by the board of directors of the corporation, certified to be a true copy thereof by the secretary or other authorized officer of such corporation, with the seal of the corporation affixed, authorizing the signing officer to execute such Power of Attorney.

3. *Officer of a corporation.*—In the case of an officer of a corporation signing applications and related forms for and on behalf of such corporation, there must be submitted a copy of the resolution or the pertinent by-law adopted by the board of directors of the corporation, certified to be a true copy thereof by the secretary or other authorized officer of such corporation, with the seal of the corporation affixed, authorizing the signing officer to execute applications and related forms for and on behalf of the corporation.

4. *State, county, or municipal officer.*—In the case of a State, county, or municipal officer signing applications and related forms for and on behalf of a governmental body, there must be submitted a certification by an authorized official of such governmental body, with the seal of such governmental body affixed, evidencing the authority of the signing officer to so act. There must be included in the certification a statement making reference to the particular statutory authority under which such official signs on behalf of the governmental body.

5. *Trustee.*—In the case of a trustee signing applications and related forms, one of the following methods should be used:

(a) There should be submitted a court order which authorizes the trustee to execute applications and related forms, signed by an officer of the court which issued such order with seal of issuing court affixed. Where such court order is not obtainable, there may be submitted a copy thereof, certified to be a true copy by an officer of the court which issued such order, with seal of issuing court affixed; or,

(b) There should be submitted a trust agreement which authorizes the trustee specifically or in general terms to execute applications and related forms, signed by the creator(s) of the trust, or a copy thereof, certified to be a true copy by any one of the creators, or by an officer authorized to take acknowledgments or administer oaths, with official seal affixed; or,

(c) There should be submitted a copy of the last will and testament creating such trust by which the trustee is authorized to execute applications and related forms, certified to be a true copy thereof by an officer of the probate court where the will was probated or by an officer authorized to take acknowledgments or administer oaths, with official seal affixed, and with certification by officer of probate court that such last will and testament has been probated.

PART V. POWER OF ATTORNEY FORMS

Form FCI-32

POWER OF ATTORNEY FOR AN AGENT OF A PRINCIPAL OTHER THAN A CORPORATION

KNOW ALL MEN BY THESE PRESENTS, That the undersigned, each living at the address stated immediately above his signature hereto, each for himself and jointly with all others of the undersigned hereby appoints and constitutes _____ of _____, as lawful attorney for each and all of the undersigned: to execute in the name of and on behalf of each and all of the undersigned, jointly and severally, applications for insurance pursuant to the provisions of the Federal Crop Insurance Act, approved February 16, 1938 (Public, No. 430, 75th Cong.), as heretofore or hereafter amended, relating to any and all farms owned, operated, or controlled by the undersigned during the period specified in each such application; to execute any and all documents or forms, pertaining to such insurance except the endorsement of checks or documents of title issued for payments in connection with such insurance; to pay the premiums in connection with such insurance for and on behalf of each and all of the undersigned with funds or property owned by each or all of them; and generally to do and perform any and all acts necessary in connection with such insurance as fully and effectually in all respects as the undersigned could lawfully do if personally present; and the undersigned, each for himself and jointly with all the others of the undersigned, hereby ratifies and confirms any and all acts heretofore or hereafter done by the said attorney in the premises. No revocation or modification of the powers hereby conferred shall be effective unless and until such revocation or modification in writing is actually on file in the branch office of the Federal Crop Insurance Corporation in which the application for insurance is filed.

IN WITNESS WHEREOF, Each of the undersigned has hereunto set his hand and seal on the date appearing beside his signature hereto.

_____	_____
(Witness)	(Type or print name)
_____	_____
(Date)	(Post-office address)
_____	_____ [SEAL]
(Witness)	(Signature)
_____	_____
(Date)	(Type or print name)
_____	_____
(Witness)	(Post-office address)
_____	_____ [SEAL]
(Date)	(Signature)
_____	_____
(Witness)	(Type or print name)
_____	_____
(Date)	(Post-office address)
_____	_____ [SEAL]
(Date)	(Signature)

Form FCI-33

POWER OF ATTORNEY FOR AN AGENT OF CORPORATION

KNOW ALL MEN BY THESE PRESENTS, That _____, a corporation organized and existing under the laws of the State of _____ having its principal place of business at _____ in the State of _____, has constituted and appointed, and by these presents does constitute and appoint _____ of _____, its attorney for it and in its name: to exe-

cute applications for insurance pursuant to the provision of the Federal Crop Insurance Act, approved February 16, 1938 (Public, No. 430, 75th Cong.), or as heretofore or hereafter amended, relating to any and all farms owned, operated, or controlled by it during the period specified in each such application; to execute any and all documents or forms pertaining to such insurance except the endorsement of checks or documents of title issued for payments in connection with such insurance; to pay the premiums in connection with such insurance for it with funds or property owned by it; and generally to do and perform any and all acts necessary in connection with such insurance as fully and effectually in all respects as it could lawfully do, hereby ratifying and confirming any and all acts heretofore or hereafter done by said attorney in the premises. No revocation or modification of the powers hereby conferred shall be effective unless and until such revocation or modification in writing is actually on file in the branch office of the Federal Crop Insurance Corporation in which the application for insurance is filed.

IN WITNESS WHEREOF, the undersigned, acting pursuant to authority of said corporation, has signed this instrument for and on behalf of said corporation, and caused its corporate seal to be affixed at _____, in the State of _____ on this _____ day of _____, 193__.

[AFFIX CORPORATE SEAL ¹]

(Name of Corporation)

By _____

(Official Title)

(Post Office Address of Agent)

(Witness)

NOTE.—This Power of Attorney should be accompanied by a copy of the resolution or the pertinent by-law adopted by the board of directors of the corporation, certified to be a true copy thereof by the secretary or other authorized officer of such corporation, authorizing the execution of this Power of Attorney.

¹ If no seal adopted, so state.

Reserve

C 88 F

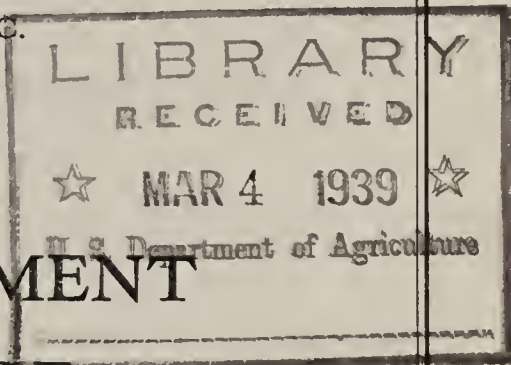
1938:

for.

Form FCI-60—Wheat—1939

FEDERAL CROP INSURANCE CORPORATION
UNITED STATES DEPARTMENT OF AGRICULTURE
WASHINGTON, D. C.

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LOSS ADJUSTMENT
PROCEDURE
and
ADJUSTER'S MANUAL

Issued February 2, 1939



UNITED STATES
GOVERNMENT PRINTING OFFICE
WASHINGTON : 1939

1 193

FOREWORD



The success of the Federal Crop Insurance Program will depend largely upon the manner in which adjustment and settlement of losses are made. It is the hope of the Federal Crop Insurance Corporation that every adjuster will perform his duties in such a way that every settlement is fair and just both to the insured and to the Corporation.



LOSS ADJUSTMENT PROCEDURE AND ADJUSTER'S MANUAL

PART I. ADJUSTMENT ORGANIZATION AND SELECTION OF ADJUSTERS

In each State, the State Agricultural Conservation Committee, hereinafter referred to as the "State Committee," will be charged with the responsibility of supervising and coordinating the adjustment work within the State. The State Committee should be familiar with wheat crop conditions in all sections of the State and the committee should be able to assist with adjustments whenever called upon to do so.

In each county, the County Agricultural Conservation Committee, hereinafter referred to as the "County Committee," will be in charge of the adjustment work in the county. In most counties the person designated by the County Committee, with the approval of the State Committee, as primarily responsible for crop insurance work in the county office, will act as the adjuster of claims for losses in the county, but in counties where it appears that there will be a large number of adjustments to make it may be necessary for the County Committee to utilize the services of additional adjusters. A sufficient number should be chosen to handle adjustment work quickly and adequately in the event of an emergency in the county but only in rare instances should it be necessary to select more than four additional adjusters.

Adjusters may or may not be the men who worked for the County Committee during the signing of applications. For selection as an adjuster, a person should have the following qualifications:

1. He must be a farmer and should be a wheat producer living in that area and should be one who participates in the general program for agriculture, especially the crop insurance phase;
2. He must not hold a political office or be a candidate for such office;
3. He must be a man who would not utilize the adjustment work of the Corporation as a means of promoting any other line of business;
4. He must be a man known for his integrity and have a reputation for fair dealing and honesty;
5. He must be able to understand business papers, accounts, and be able to write legibly; and
6. He must be a man respected by the farmers living within the county.

All appointments of adjusters will be made by the County Committee, subject to the approval of the State Committee.

PART II. GENERAL DESCRIPTION OF ADJUSTMENT WORK

Under a wheat crop insurance policy the insured is guaranteed a certain number of bushels of wheat, and the amount of indemnity is the number of bushels of wheat by which the policyholder's share of the total production for the farm is less than the policyholder's insured production. It is believed that a definite method for adjustment of claims is available under the wheat crop insurance program and that this advantage will make possible a speedy and accurate adjustment of claims under wheat crop insurance policies.

Adjustment work will consist in general of:

- (1) Inspection of the insured crop during the growing season;
- (2) Inspection of the insured crop before harvest, removal, transfer, or other use of the crop or portion thereof; and
- (3) Ascertainment of amount of loss.

In connection with this work the following forms will be used:

- Form FCI-7. Notice of Damage During Growing Season.
- Form FCI-8. Notice Before Harvest, Removal, Transfer, or Other Use of Wheat Crop.
- Form FCI-60. Loss Adjustment Procedure.
- Form FCI-61. Adjuster's Work List.
- Form FCI-62. Adjuster's Daily Report.
- Form FCI-63. Report of Inspection During Growing Season.
- Form FCI-64. Permission to Make Other Use of Acreage.
- Form FCI-65. Report of Inspection Prior to Harvest.
- Form FCI-66. Adjuster's Work Sheet.
- Form FCI-67. Statement in Proof of Loss.
- Form FCI-68. Narrative Report.
- Form FCI-69. List of Requests to Make Other Use of Acreage.

Stipulation No. 7 of the Wheat Crop Insurance Policy, Form FCI-2 (hereinafter referred to as the "policy"), provides that the insured shall give the Corporation notice of any substantial damage to the insured crop during the growing season. Form FCI-7, Notice of Damage During Growing Season, has been supplied for this purpose.

Stipulation No. 8 of the policy provides that, if it is probable there will be a loss under the policy, the insured shall give the Corporation notice of removal, transfer, or other use of the insured crop, or portion thereof, before harvest. Form FCI-8, Notice Before Harvest, Removal, Transfer, or Other Use of Wheat Crop, is to be used by the insured for the purpose of giving this notice.

Form FCI-63, Report of Inspection During the Growing Season, will be used in connection with the inspection of the crop during the growing season. Form FCI-65, Report of Inspection Prior to Harvest, will be used in connection with the inspection of the crop prior to removal, transfer, or other use of the insured crop, or portion thereof, prior to harvest. Form FCI-66, Adjuster's Work Sheet, and Form FCI-67, Statement in Proof of Loss, will be used to ascertain the amount of loss under the policy. Detailed instructions for the use of each of the forms which are listed are set out in Part VII of this procedure.

All persons connected with adjustment work in the county should be very careful to refrain from making any statement to the insured or any other person either admitting or denying the liability of the Cor-

poration for any claim made by the insured. Failure to observe this warning may result in considerable trouble for the Corporation in the event of litigation involving the policy.

PART III. DUTIES OF THE COUNTY COMMITTEE

A. Preliminary to Adjustment Work.

The County Committee shall be familiar with the general condition of the wheat crop in the county. The County Committee shall also study intensively all provisions of the wheat crop insurance program and especially this procedure.

B. Supervision of Inspection and Adjustment Work.

Upon receipt of the first report of damage, Form FCI-7 or Form FCI-8, the County Committee should immediately inform the State Committee, and someone representing the State Committee should assist in making the first few inspections or adjustments in the county. The County Committee shall, however, always keep the State Committee currently informed of any problems arising in connection with inspections and adjustments in the county.

It is the duty of the County Committee to provide the adjusters in the county with all the information, forms, equipment, and all other materials necessary for adjustment work. Before an adjuster visits a farm he should be given a folder containing copies of the following: the insured's application, Form FCI-1, with Riders "A" and "B," if executed; the map of the farm, Form FCI-12; the policy, Form FCI-2, with Rider "A," if executed; and the inspection report for the farm, Form FCI-3. If inspection reports, Form FCI-63 or Form FCI-65, have been made with respect to the farm, these reports should also be included in the folder. This material will be taken from the office files and will be charged out to the adjuster and credit given him when it is returned. Extreme care should be taken of this material, since loss of any of these forms may necessitate the County Committee asking the State Committee for a photostatic copy for the use of the county office.

The county office should indicate on the map of the farm, Form FCI-12, the number and acreage of each field as shown by the records of measurement. The source of such numbers and acreage figures should be clearly shown. If no measurement records have been prepared, the county office should see to it that a number is assigned to each field, and if a claim for indemnity is made the measured acreage of wheat in each field should be obtained.

It is the responsibility of the County Committee to see that all inspection and adjustment work in the county is performed promptly, efficiently, and honestly. The County Committee will assign cases for inspection and adjustment to the adjusters, will check their reports, and will approve or disapprove all appraisals of yields and all Statements in Proof of Loss, Form FCI-67.

No adjuster should be assigned to the investigation, adjustment, or settlement of a claim involving a farm in which the adjuster has an interest, including any interest through ownership, operation, or family relationship. Likewise, the adjuster should not be asked to handle adjustment work relating to any policy where prejudice exists.

PART IV. DUTIES OF THE ADJUSTER

The adjuster shall have a thorough knowledge of the provisions of the wheat crop insurance program in general and this adjustment procedure and related forms in particular. In addition to the inspection and adjustment forms referred to in this procedure, the adjuster must be familiar with the application, Form FCI-1, and Riders "A" and "B"; the policy, Form FCI-2, and Rider "A"; the regulations, Form FCIR-Series 1, No. 1, as amended; the county procedure, Form FCI-31, and supplements thereto.

The adjuster shall be under the immediate supervision of, and directly responsible to, the County Committee. The adjuster shall receive work assignments from, and shall make reports thereon to, the County Committee.

The adjuster shall make all inspections, appraisals, and reports strictly in accordance with this procedure. When this procedure does not cover an adjustment problem, or its meaning is not clear, the adjuster shall ask the County Committee for instructions on the point and shall carefully follow the instructions which are given.

As previously set out in this procedure, the adjuster shall never, under any circumstances, make any statement to the insured or to any other person denying the liability of the Corporation for any claim. As previously stated also, the adjuster shall not investigate, adjust, or settle a claim involving a farm in which he has an interest, including any interest through ownership, operation, or family relationship. Likewise the adjuster shall not handle adjustment work relating to any policy where prejudice exists.

PART V. INSPECTION OF THE INSURED CROP

A. Inspection During the Growing Season.

Immediately upon receipt of Form FCI-7 the County Committee shall, if the damage reported indicates that a visit to the farm is necessary, refer the form to an adjuster who shall visit the farm and inspect the insured crop. If the notice indicates that the damage is of such a nature that immediate action is necessary by the insured in order to salvage or further care for the crop, the inspection should be made immediately.

The adjuster should make a report of his inspection on Form FCI-63 or FCI-65, as provided for in Part VII of this procedure. If the entire insured crop has been totally or substantially totally destroyed, the adjuster will proceed with a final settlement with the insured.

1. *Total or Substantially Total Destruction of Entire Insured Crop.*

If the adjuster determines that the entire insured crop is totally destroyed or substantially totally destroyed, he shall assist the insured in the preparation of Form FCI-67, Statement in Proof of Loss. This form should be filled out strictly in accordance with the instructions relating thereto set out in Part VII of this procedure.

If the entire insured crop has been totally destroyed by causes insured against such as hail, flood, etc., there is no serious problem for the adjuster since the production will be zero. Section 70 of the

regulations provides that a crop shall be deemed to have been substantially totally destroyed if it has been damaged to such an extent as to make it *impracticable* further to care for such a crop. This provision means that a crop is not to be considered as substantially totally destroyed unless it has been so badly damaged that farmers in the county generally would not further care for the crop.

This rule must be strictly applied since it is for the protection of both the Corporation and the insured. In cases of substantially total destruction of the entire wheat crop, it is necessary to appraise the potential yield of the wheat not destroyed, and to count this wheat as production in computing the amount of loss under the policy. It is very difficult to appraise wheat early in the growing season, and since the amount of indemnity payable is based upon this appraisal, such appraisal work assumes unusual significance.

Where the entire insured crop is *totally destroyed* the total production of wheat for the farm will be shown as zero.

Where the entire insured crop is substantially totally destroyed, it will be necessary to appraise the potential yield of the wheat not destroyed and to enter this appraisal in the appropriate place on Form FCI-67. This appraisal will be made in the manner described in Part VI of this procedure.

The foregoing discussion of total and substantially total destruction of the entire insured crop assumes that the cause or causes of such destruction are insured against under the policy. Where the cause or causes of such destruction are not insured against, there is, of course, no indemnity payable under the policy, and in cases of substantially total destruction of the crop there is no necessity for appraising the yield. If more than one cause contributes to the destruction of the entire insured crop and one or more of the causes are insured against and one or more of the causes are not insured against, it will be necessary to determine the amount of damage attributable to the causes insured against. The method in which this is to be done is explained more in detail in Part VII of this procedure in connection with the preparation and execution of forms.

2. *Total or Substantially Total Destruction of a Portion of the Insured Crop.*

If, during the growing season, the adjuster finds that a portion of the insured crop has been totally destroyed, or has been substantially totally destroyed, he shall indicate on Form FCI-63 the acreage of the crop so destroyed. The adjuster shall also indicate on the map of the farm, Form FCI-12, the acreage of the crop so destroyed, and if the acreage destroyed is not an entire field already shown on the map, shall designate that area on the map as a separate field. The designation of this acreage as a separate field should be in such a manner as to indicate that it was originally a part of a larger field; for example, if a portion of Field A is substantially totally destroyed, that acreage which has been destroyed should be designated as Field A-1, and the remainder of the field originally designated as Field A would be redesignated as Field A-2. If the acreage of such portion of the crop has not been measured separately, a very careful estimate should be made by check measurement, comparison with aerial photographs, maps, etc., at the time of the inspection of the crop.

In those cases where the insured requests the consent of the Corporation to put a portion of the acreage of the insured crop to some other use and the adjuster finds that this portion of the wheat crop on such acreage has been totally destroyed, or has been substantially totally destroyed, he shall make his recommendations in the space provided therefor on Form FCI-63. In such cases the adjuster, with the assistance of the insured, or the person caring for the crop, shall appraise the yield of such portion of the crop. This appraised yield, when approved by the County Committee, shall be considered as the production from such acreage and shall be reported on Form FCI-67 in computing the total production for the farm. Of course, if the insured does not put this acreage to another use, and subsequently the actual yield realized therefrom differs from the appraised yield, the actual yield instead of the appraised yield will be used in determining the total production for the farm.

If the County Committee approves the recommendations of the adjuster, then the insured shall be immediately notified of such action on Form FCI-64. The County Committee shall report on each Monday to the State Committee on Form FCI-69, List of Requests to Put Acreage to Other Use, the disposition during the previous week of all cases where the insured has requested the Corporation to consent to putting acreage to another use. This report will cover all cases, whether or not the County Committee has given the consent of the Corporation. In addition to this report, the County Committee should obtain the assistance of the State Committee in making the first few determinations of this kind.

In determining whether or not a portion of the crop is substantially totally destroyed, the adjuster shall apply to such portion of the crop rules laid down earlier in this Part with respect to the determination of whether or not the insured crop is substantially totally destroyed. Likewise, the rules laid down earlier in this Part with respect to the determination of whether or not damage is due to causes insured against or causes not insured against with respect to such acreage shall be applicable here.

B. Inspection of Farm Prior to Harvest, Removal, Transfer, or Other Use of the Wheat Crop or Portion Thereof.

By means of Form FCI-8, the insured will notify the County Committee that he is about to harvest, remove, transfer, or make some other use of the wheat crop or portion thereof. In such cases it will be necessary for the adjuster to visit the farm prior to such harvest, removal, transfer, or other use, and inspect the insured crop. In connection with this inspection the adjuster should execute Form FCI-65, Report of Inspection Prior to Harvest, strictly in accordance with the instructions set out in Part VII of this procedure. If Form FCI-8 has not been executed, such form shall be executed by the insured at the time of inspection. The rules set out in this Part with respect to total or substantially total destruction of the wheat crop or portion thereof will be applicable to his inspection of the crop.

In making a report on Form FCI-65, the adjuster shall make a detailed report with respect to each field of wheat on the farm, whereas, in case of inspection during the growing season the adjuster only reports on Form FCI-63 those fields which have been damaged.

C. Ascertainment of Amount of Loss.

The amount of loss for which indemnity is payable under the policy will be ascertained by the proper preparation and execution of Form FCI-67. In cases of total or substantially total destruction of the entire insured crop during the growing season, this form may be prepared and executed immediately after such destruction. In most cases, however, this form will not be used until after threshing. When the insured has executed this form satisfactorily, it will constitute his claim for indemnity. Consequently, it is important that the provisions of this procedure are complied with.

If the insured and the adjuster cannot agree upon the amount of loss to be claimed on Form FCI-67, the adjuster shall save the partially completed forms and prepare a narrative report, FCI-68, reporting the case fully and explaining the reasons for the failure to agree. The partially completed forms and Form FCI-68 shall be turned in to the County Committee and the County Committee by assigning another adjuster to the case, or by taking such other steps as may be necessary, shall endeavor to reach an agreement with the insured in the manner provided for in this procedure. If such an agreement cannot be reached, the original and one copy of all papers prepared in connection with the case, including reports of all attempts at adjustment, shall be forwarded to the State Committee.

PART VI. APPRAISAL

In cases where it will be necessary to make appraisals of yields during the growing season, the appraised yield will be considered as the actual yield for the purpose of computing the amount of loss, if any, under the policy. The adjuster should, therefore, be very careful in making his appraisal and should, as previously stated, take into consideration any damage to the crop due to a cause not insured against. When appraisals are made during the growing season the adjuster should remember that the Corporation is relinquishing its opportunity to determine the actual yield, and consequently, he must assume that the most favorable growing conditions will prevail from the time of appraisal to the time of harvest.

1. Early in the Growing Season.

It is ordinarily difficult to appraise a yield early in the growing season, but since substantially total destruction of a crop or portion thereof occurs only when such crop or portion thereof is so badly damaged that farmers generally in the area would not further care for the crop, or a portion thereof, the appraised yield will, of course, be small in relation to the adjusted average yield.

2. Late in the Growing Season.

In some cases it will be necessary to make appraisals late in the growing season when the wheat is out of the boot. In these cases the size of the heads and the number of grains per head can be determined and thus a more accurate appraisal of the probable yield may be made.

3. At Harvest Time.

In connection with the final adjustment and settlement of loss when the wheat crop has matured, there may be cases in which the insured

does not wish to harvest or thresh the crop or a portion thereof. In appraising such crop or portion thereof, a study of the actual harvested yields of other fields may be used as a guide.

4. Appraisals Affected by Local Conditions and Salvage Value of Wheat.

In making appraisals of the potential yield of a crop, or portion thereof, the adjuster should take into consideration the general practices in the area with respect to feeding, cutting for hay, harvesting, and threshing. Where the insured can salvage some of the crop, or portion thereof, by feeding, cutting for hay, etc., such salvage, in terms of bushels of wheat, will be considered as production.

PART VII. PREPARATION AND EXECUTION OF FORMS

A. Form FCI-61—"Adjuster's Work List."

Form FCI-61 is for use by the County Committee in assigning inspection and adjustment work to adjusters in the county. In every case two copies of this form should be executed, the original being mailed or handed to the adjuster to whom the assignments are made and the carbon copy being filed in the county office.

In the upper right-hand corner of the form there should be inserted the State and county code number.

In the spaces provided therefor in the box following the title of the form, there shall be inserted the name and address of the adjuster and the date on which the assignments are made.

Column 1—"Application Numbers."—Enter the application numbers relating to all farms with respect to which the assignment for inspection or adjustment is being made. These numbers should be taken from the applications on file in the county office. *Throughout this Part when applications are referred to, only those applications which have been accepted and policies issued thereon shall be considered.*

Column 2—"Name of Insured."—Enter names of insured persons as the name appears on the application the number of which is reported in column 1. There is one exception to this rule and that is in the case where the insured has assigned all of his interest in the crop by use of Form FCI-29, Transfer of Interest Endorsement to some other person. In cases where Form FCI-29 has been executed there shall be entered in column 2 the name of the person to whom the assignment is made in the form in which it appears at the bottom of Form FCI-29. Where several persons are insured under a single policy only the name of the person insured thereunder generally regarded as in charge of the crop need be entered.

Column 3—"Assignment of the policy to -----."—In this column should be entered the name of the person, if any, to whom an assignment of the policy has been made upon Form FCI-23. This is done in order that the adjuster in conferring with the insured may ascertain whether the indebtedness secured by FCI-23 has been fully discharged.

The form should be signed in the lower right-hand corner in the space provided therefor by the County Committeeman making the assignments.

B. Form FCI-62—"Adjuster's Daily Report."

Form FCI-62 is for use by the adjuster in making a daily report of his inspection and adjustment work to the County Committee.

The adjuster shall fill out Form FCI-62 upon the completion of each day's work. In all cases an original and one copy of this form shall be executed by the adjuster, the original being mailed or delivered on the day of execution to the county office and the other being retained by the adjuster for his own records. These forms will furnish the County Committee with a record of the work of the adjuster and will also enable the County Committee generally to determine the cost of inspection and adjustment work in the county.

In the space provided in the upper right-hand corner there shall be entered the State and county code number.

Column 1—"Application Numbers."—Enter in this column the application numbers relating to the farms with respect to which inspections or adjustments were made during the day. The application numbers shall be taken from Form FCI-61.

Column 2—"Name of Insured."—Enter in this column the name of the insured persons connected with the farms which were inspected during the day. In this case also the name of the insured persons should be taken from Form FCI-61.

Column 3—"Remarks."—The adjuster shall enter in this column a brief summary of his work for the day with respect to each farm assigned to him for inspection or adjustment which he has visited during that day. If the adjuster visits the farm but for some reason does not make any inspection or adjustment, he shall state in this column the reasons why no inspection or adjustment is made.

If FCI-61 indicates that an assignment has been made by means of FCI-23, the adjuster shall report in this column whether or not the insured has *fully discharged the indebtedness secured by the assignment*. If the insured reports that he has fully discharged such indebtedness and the assignee has not executed Part III of Form FCI-23, the County Committee shall request the assignee to execute Part III of Form FCI-23 in accordance with the provisions of Part XII of the County Procedure FCI-31. Part III of Form FCI-23 should be forwarded to the State office with Form FCI-67. If the insured reports that the indebtedness has been fully discharged and the assignee claims that it has not, the County Committee shall send a complete report of the situation to the State office together with Form FCI-67.

If the indebtedness secured by the assignment is not fully discharged, the Corporation proposes to issue joint checks to assignor and assignee in payment of indemnity.

"Adjustment Cost."—In the box at the bottom of the form, in the appropriate spaces provided therefor, in those counties in which separate payment for mileage is authorized, the adjuster shall enter the number of miles traveled, the rate per mile, and the total amount of money claimed for mileage for the day. The adjuster shall also enter in the space provided therefor, the portion of his day devoted to inspection or adjustment work. As for example, "one day," or if less than one day, the fractional part of the day worked, in terms either of " $\frac{1}{4}$," " $\frac{1}{2}$," or " $\frac{3}{4}$." The rate of pay per day shall also be entered together with the total of the amount of pay claimed for the day. The adjuster shall also total the amount claimed for his mileage and the amount claimed for services.

At the bottom of the form in the spaces provided therefor the adjuster shall date and sign the form.

C. Form FCI-63—"Report of Inspection During Growing Season."

Form FCI-63 is for use by the adjuster in reporting his inspection of the wheat crop during the growing season. This form is not for use in reporting an inspection just prior to harvest, since such inspections will be reported on Form FCI-65. One form shall be executed by the adjuster for each application with respect to the farm, and it shall be placed in the county office file relating to each such application.

Enter in the upper right-hand corner in the spaces provided therefor the State and county code number and the numbers of all applications on the farm.

Column 1—"Original Fields—Numbers or Letters."—Enter in this column the letter or number for only those fields on which damage has occurred. The field letter or number shall be identical with the letter or number shown on Form FCI-12.

Column 2—"Original Fields—Acreage."—Enter in this column the acreage for each field listed in column (1). The acreage shall be identical with the acreage shown on Form FCI-12.

Column 3—"Number or Letters" and Column 4, "Acreage" of "Revised Fields Where Part Is Totally or Substantially Totally Destroyed."—If the adjuster finds that the acreage on which damage is reported is totally destroyed or substantially totally destroyed and is not an entire field already shown on Form FCI-12, the adjuster shall designate on the map as a separate field that area which has been totally or substantially totally destroyed. The designation of this acreage as a separate field shall be in such manner as to indicate that it was originally part of a larger field: for example, if a portion of field A is totally or substantially totally destroyed, that acreage which has been totally or substantially totally destroyed shall be designated as field A-1, and the remainder of the field originally designated as field A shall be redesignated as field A-2. If the acreage of such portion of the crop has not been measured separately, a very careful estimate shall be made by check measurement, comparison of aerial photographs, maps, etc. There shall be entered in column 3 the numbers or letters of the redesignated fields and the acreages thereof in column 4.

Column 5—"Condition."—Insert in this column as "good," "fair," "poor," or "ruined" the condition of each field.

Column 6—"Causes of Damage," Column 7, "Percent Contribution to Damage," and Column 8, "Date or Period of Damage."—Enter in column 6 cause of damage on all fields described in column (3), or if there was no revision, fields described in column (1). All causes of damage shall be reported, including both causes insured against and causes not insured against. In column (7) the percent contribution to damage on each field for each cause shall be reported. The total percentages of contribution for all causes for any field shall equal 100 percent. For example, the causes of damage on field A may be hail, 25 percent; overpasturing, 10 percent; and drought, 65 percent. In column 8 enter the date or period of damage.

In the box at the bottom of the form the adjuster shall report the fields on which the wheat crop has been totally destroyed, or substantially totally destroyed, and which the insured wishes to put to another use. The adjuster shall not report any such field unless he

finds that it has been totally destroyed or substantially totally destroyed and he wishes to recommend to the County Committee that the request of the insured be approved. In columns (b) and (c) of the box the adjuster shall report the acreages and appraised yields for each of the fields designated in column (a) of the box.

At the bottom of the form in the spaces provided therefor the adjuster shall date and sign the form.

D. Form FCI-64—"Permission to Make Other Use of Acreage."

Form FCI-64 is for use by the County Committee in notifying the insured that his request to the Corporation to put certain acreages of wheat which have been totally destroyed, or substantially totally destroyed, to some other use, has been approved. An original and one copy of this form shall be prepared for each application with respect to the farm. The original shall be mailed to the insured and the carbon copy shall be placed in the insured's file in the county office.

In the upper right-hand corner in the spaces provided therefor, insert the State and county code number and the numbers of all applications on the farm.

In space provided therefor following the title of the form, enter the name and address of the insured as it appears on the application, or of the assignee as it appears on Form FCI-29, if such form has been executed.

In the box there shall be entered in columns (a), (b), and (c) the field numbers, the acreages, and the appraised yields, respectively, for only the fields that the County Committee approves for other use.

At the bottom of the form one member shall date and sign for the County Committee.

E. Form FCI-65—"Report of Inspection Prior to Harvest."

Form FCI-65 is for use by the adjuster in making a report of inspection of the wheat crop just prior to harvest. The adjuster shall prepare only one form for each application with respect to the farm, and this form shall be placed in the insured's file in the county office.

In the upper right-hand corner in the space provided therefor insert the State and county code numbers and the numbers of all applications on the farm.

Column 1—"Field Numbers."—Enter in this column field numbers for *all wheat fields* on the farm. There shall be included in column 1 all fields on the farm whether or not any damage has been reported on such fields, whether or not consent may have been given to put such fields to other uses, etc. The field numbers reported in this column should be taken from Form FCI-12, checked for corrections as to redesignated fields with Form FCI-63.

Column 2—"Acres."—Enter in this column the acreage of every field reported in column 1. The acreage figures entered in this column should be taken from Form FCI-12, checked for corrections as to redesignated fields with Form FCI-63.

Column 3—"Estimated Yield."—Enter in this column the estimated yields for each field reported in column 1. In estimating the yield of the various fields the adjuster should follow the instructions set out in Part VI of this procedure. For fields which have actually been put to some other use with the consent of the Corporation, enter the appraised yield taken from Form FCI-64.

Column 4—"Cause of Damage," Column 5, "Percent of Contribution to Damage," and Column 6, "Date or Period of Damage."—Enter in column 4 the causes of damage to each field on which damage has occurred. If there is no damage or if damage is of little consequence the word "none" shall be entered. All causes of damage should be reported, both causes insured against and causes not insured against. In column 5 the percent contribution to damage on each field for each cause shall be reported. The total percentages of contribution for all causes for any field shall equal 100 percent. For example, the causes of damage on Field A may be hail, 25 percent; overpasturing, 10 percent; and drought, 65 percent. In column (6) enter the date or period of damage.

In the space provided therefor under "Remarks" the adjuster shall indicate where it is proposed that the threshed wheat shall be stored, with particular reference to whether it is to be stored in bins on the farm or off the farm. If the wheat is to be stored in bins off the farm, the adjuster should, if possible, indicate the location of the bins where the wheat will be stored. If new wheat is to be stored in bins containing old wheat, the amount of old wheat shall be determined and entered in this space. At the bottom of the form in the spaces provided, the adjuster shall date and sign the form.

F. Form FCI-66—"Adjuster's Work Sheet."

Form FCI-66 is for use by the adjuster in arriving at the net quantity of threshed wheat on the farm produced from the 1939 crop. Only one form shall be executed by the adjuster, which shall be attached to, and submitted with, the county office copy of FCI-67.

In the upper right-hand corner of the space provided therefor enter the State and county code numbers and the numbers of all applications on the farm.

Item 1—"Farm-binned Wheat."—For each bin either on or off the farm in which wheat from the 1939 crop is stored the information indicated in columns (a) to (k), inclusive, shall be reported.

COLUMN (a). The bin number should be shown in column (a), such number (or letter) to be assigned by the adjuster.

COLUMNS (b), (c), and (d). If the bins are square or rectangular, report the dimensions in columns (b) and (c). If the bins are round, report the diameter in column (d). It may frequently be necessary to use columns (b) and (c) for square or rectangular bins and column (d) for round bins on the same form. In this case, care should be used to get the correct measurements entered opposite the bin numbers to which the measurements apply.

COLUMN (e). The adjuster should be sure that the wheat in the bin is level before measuring the depth. If wheat from the 1939 crop is stored in a bin which also contains wheat from a previous crop, the depth of the wheat to be reported in column (e) shall be the depth of the wheat from the 1939 crop. If allowance is given for old wheat in the bin, the adjuster shall very carefully determine the amount of old and the amount of new wheat in the bin.

COLUMN (f). In the case of square or rectangular bins, the entry in this column will be the entry in column (b) times the entry in column (c) times the entry in column (e). In the case of round bins, the entry in this column will be one-half the diameter squared times 3.1416 times the depth of wheat in column (e).

COLUMN (g). The amount of space occupied by studding, braces, etc., shall be expressed in terms of cubic measurements, so that the net cubic feet of wheat reported in column (h) will be the difference between column (f) and column (g).

COLUMN (j). The adjuster shall insert in this column the test weight of the wheat in the bin. If test weight equipment is available to the adjuster at the time of the inspection, he shall make tests of the weight of the wheat in each bin at the time of inspection. If test weight equipment is not available to the adjuster at the time of inspection, he shall take samples from each bin and determine the test weights of wheat in the different bins later, when the equipment is available to him. Extreme care should be exercised by the adjuster to be sure that the sample he takes is representative of all the wheat in the bin. Likewise, he shall carefully designate the samples to correspond to the bin numbers.

COLUMN (k) The adjuster shall enter in this column the net bushels of wheat in the bin. This figure shall be obtained by reference to the table entitled "Table of Correction Factors to Convert Gross Bushels to Net Bushels" found in the Appendix.

In the spaces provided, enter the location and bin numbers (as reported in column (a)) of the bins which are not located on the insured farm in which wheat is stored.

Item 2—"Bulk Wheat in Commercial Storage."—Enter in this item the names and addresses of the elevators in which wheat is stored, together with the net bushels stored in each elevator.

Item 3—"Sacked Wheat (on farm or in other storage)."—Item 3 is for the purpose of reporting all wheat which has been sacked, whether or not the sacked wheat is stored on the farm or off the farm. Enter in subitem (a) the location of the sacked wheat; enter in subitem (b) the total number of sacks; enter in subitem (c) the number of sacks in sample weighed. If the sacked wheat has all been weighed, the net bushels of wheat should be entered in subitem (g) of column (k). If some of the sacked wheat has already been weighed, the part weighed may be used as a sample. If none of the sacked wheat has been weighed, then a number of sacks of wheat shall be weighed and the average gross weight of each sack obtained. A sufficient number of sacks should be weighed so that the average gross weight of the sacks, determined from such weighing, will be representative. Enter in subitem (d) such average gross weight. Enter in subitem (e) the average weight of the empty sacks. In some States standard weight deductions for sacks are prescribed. In these States the prescribed weight shall, of course, be used. In other States, the recognized weight of the sack shall be employed, or in the case of sacks which are not of standard weight in the community, a representative weight shall be obtained by taking the average weight of a representative number of sacks.

Item 4—"Wheat Sold To."—Item 4 is for reporting the name and address of the person or persons to whom the wheat has been sold and the amount.

Item 5—"Wheat Already Used for Feed, Seed, Etc."—The adjuster shall make a careful check to be sure that there is reported in this item all threshed wheat which has previously been used for feed, seed, flour for home use, or any other use which has been made

of the wheat for consumption on the farm by the persons living thereon or by livestock.

Item 6—"Wheat Not Reported in Items 1-5, inc."—Report in this item all wheat threshed from the 1939 crop which is not otherwise reported in items 1 to 5, inclusive. There should be reported in this item, wheat which has been piled whether or not the piles are on the farm or off the farm. If piled wheat is reported in this item, there should be attached to this form a sketch of the pile or piles of wheat which are reported, showing the measurements of the pile or piles and the method used in computing the net bushels. In this connection, reference is made to detailed instructions for computing net bushels found in the Appendix. Any wheat combined and sacked but destroyed within 120 hours thereafter is not to be counted in production, but any salvage from such wheat damaged within that time shall be entered in item 6. All wheat burned, stolen, or otherwise destroyed, except wheat combined and sacked and damaged within 120 hours thereafter, shall be entered in this item.

Item 7—"Total Quantity of Threshed Wheat."—This item is the total of column (k) in items 1 to 6, inclusive.

Item 8—"Deductions, if Any."—Ordinarily, there will not be any deductions to report in this item. In some areas, however, under some circumstances, deductions may be made for foreign material or dockage in the wheat. Where it is the custom in the community to sell wheat on the basis of gross bushels less dockage, and deductions are to be made, they should be reported in item 8. Care should be exercised not to enter deductions in item 8 where deductions have already been made, such as in the case of item 4—"Wheat sold" and probably in the case of item 2—"Bulk wheat in commercial storage," and item 3—"Sacked wheat" if dockage was considered in the sample. No deduction for dockage should be made from the wheat reported in item 5. It is important that deductions for foreign material or dockage be allowed only in those communities where it is customary to sell wheat that way, because it is only in those areas that a similar deduction was taken into account in computing the premium rate of the insurance and otherwise preparing the actuarial data used in that area.

Item 9—"Net Quantity of Threshed Wheat."—Item 9 is the difference between item 7 and item 8. The amount of wheat reported in this item will be used in the first item on FCI-67, Statement in Proof of Loss.

Item 10—"Date or Dates on Which Threshing Was Completed."—Generally, the threshing of wheat on the farm is continuous from day to day until completed, and in such cases the date of threshing should be the date on which the threshing was completed. If, however, a portion of the crop was threshed a considerable time in advance of the threshing of the rest of the crop, then the final date of both periods of threshing should be inserted. If a part of the wheat was combined and part of the wheat was threshed, then the date of the completion of the combining as well as the date of the completion of the threshing should be inserted, together with a notation indicating which date refers to completion of threshing and which date refers to completion of combining.

Item 11—"Thresherman's Report."—If there is any uncertainty as to any of the data in items 1-9, inclusive, the adjuster may find it desirable to verify the other sources of information by comparison with the records made by the thresherman or combine-operator, if such records are readily available and are considered dependable. In such cases, insert the acres and bushels shown by such reports in item 11. At the bottom of the form in the spaces provided, the adjuster shall date and sign the form.

G. Form FCI-67—"Statement in Proof of Loss."

Form FCI-67 is for use by the insured in making claim against the Corporation for the amount of loss. It is required by policy stipulation Number 9 that this form shall be submitted by the insured to the county office not later than thirty days after threshing, and in no event later than October 15, 1939, unless such date is extended in writing by the Corporation. An original and three copies of this form shall be prepared and shall be dated and signed by the insured. The adjuster shall date and sign the original and all copies and leave the last copy with the insured. The original and one copy are to be signed by the County Committee and forwarded to the State office, the remaining copy to be retained in the county files. The original will then be forwarded by the State office to the branch office for payment. If the insured requests, the adjuster shall assist him in the preparation of this form.

The State and county code number and the numbers of all applications on the farm shall be entered by the county office in the appropriate spaces provided.

In the spaces just following the title of the form, there shall be entered by the county office the adjusted average yield, the insured percentage, and the insured's interest in the crop.

Part I. Total Production for the Farm

Item 1.—Report in item 1 the total bushels of wheat threshed from any acreage on the farm. Report also the acreage from which the production was threshed. The acreage to be reported in this item includes all acreage of wheat threshed, such as volunteer acreage, acreage seeded for harvest as grain, acreage seeded for harvest as hay, for soil conservation purposes, or for any other purpose.

The bushel figure reported in this item should be the same and should correspond with item 9 on Form FCI-66.

Item 2.—There should be reported in this item the total bushels of wheat from any acreage which was not threshed but which was otherwise harvested as grain. There shall also be reported the total acreage from which this production was harvested. There shall be reported in this item all acreage where the wheat after maturity was severed but was not threshed. Severance of wheat after maturity includes cutting wheat by binders or reapers or other machines, and also severance by pasturing with livestock or poultry. The bushels reported in this item will be appraised. The adjuster shall not approve anything reported in this item unless it has been appraised in accordance with instructions contained in Part VI of this Procedure.

Item 3.—There shall be reported in this item the total bushels of wheat from any acreage which was seeded with intention of harvest

as grain but which was not threshed, and not harvested as grain, but which, after maturity, was left standing in the field. There shall also be reported in this item the acreage from which the production reported in this item is produced. There shall not be reported in this item the wheat from any acreage which was not seeded with the intention of harvesting as grain which, after maturity, was left standing in the field.

Item 4.—There shall be reported in this item the production appraised from any acreage seeded with the intention of harvesting as grain, which was substantially totally destroyed and which was put to another use with the consent of the Corporation. There shall also be reported in this item the acreage on which the production is appraised. The acreage should be accurately checked by the adjuster and the appraised production from the acreage actually put to other uses should be such acreage times the appraised yield as shown in Form FCI-64 on file in the county office.

Item 5.—There shall be reported in this item the acreage which was seeded with the intention of harvesting as grain which was totally destroyed. The production from such acreage being zero, the amount has already been printed in the form. Generally speaking, this acreage should correspond with the acreage reported as totally destroyed in Form FCI-65, and unless there has been a total destruction of some wheat subsequent to the time of the inspection reported on Form FCI-65, the adjuster should not approve the figures reported in this item unless the figures do correspond with those reported in Form FCI-65.

Item 6.—There shall be reported in this item the acreage seeded with the intention of harvest as grain, which, before maturity, is pastured off, cut for hay, or used for soil conservation purposes. As the form indicates, the production to be reported in this item is the acreage times the adjusted average yield times the insured percentage.

Item 7 (a).—There shall be inserted the adjusted average yield multiplied by the acreage which was not but should have been reseeded.

Item 7 (b).—There shall be reported any production from the acreage which was not but which should have been reseeded.

Item 7 (c).—There shall be reported in this item the difference between subitems (a) and (b), or the figure reported in subitem (b), whichever is the higher.

Item 8.—In subitem (a), there shall be reported the production determined by multiplying the adjusted average yield by the acreage from which there is a complete failure from causes not insured against. In subitem (b), there shall be reported the appraised reduction in the production from all other acreage which has been damaged from causes not insured against. The appraised production reported in subitem (b) should represent the amount by which the production was lowered on such acreage by causes not insured against, regardless of whether or not the actual yield on such acreage was less than the adjusted average yield.

Item 9.—There shall be reported in this item a figure for the acreage in which the insured no longer has any interest. This figure shall equal the adjusted average yield multiplied by the acreage in which his interest is terminated, or the actual production from such acreage, whichever is the higher. The acreage reported in this item shall be that

acreage upon which the insured's interest has terminated, except as otherwise provided in Part X of the Regulations (FCIR-Series 1, No. 1 as amended).

Item 10.—The figure reported in this item is the sum of the items reported in 1 to 9, inclusive.

Part II. *Basis for Settlement*

In the space provided, opposite the title of Part II of the form, there shall be inserted the policy number.

Item 11.—There shall be entered in this item the total number of bushels of the total insured production for the policy. This item should correspond with the same item as it appears in item (e) of the policy, Form FCI-2, or "Rider A" attached thereto.

Item 12.—There shall be entered in this item the insured's interest in the total production for the farm. The figure reported in this item is determined by multiplying item 10 by the insured's interest in the insured crop on the farm. The insured's interest in the wheat crop on the farm has already been entered by the county office in the space provided for that purpose at the top of this form just following the title.

Item 13.—This item is the difference between item 11 and item 12, and is the amount of loss claimed by the insured.

Part III. *Causes of Damage*

Items 14, 15, and 16.—There shall be reported in these items, as indicated in the box, the primary, secondary, and other contributing causes to the damage to the wheat crop, together with the dates or periods of time during which damage occurred and the percentage of contribution with respect to each cause.

Item 17.—There shall be reported in this item whether or not any of the damage to the crop has been due to the act of any person or persons.

Item 18.—If the answer to item 17 is "yes," then the name and address of the person or persons who caused the damage to the crop shall be reported in this item 18.

Item 19 (a) and (b).—If there is other insurance on the crop, there shall be reported in this item the hazard covered and the name of the insurer company.

Part IV. *Settlement*

Item 20.—The insured shall indicate in this item the manner in which he prefers to have the indemnity paid; i. e., whether by cash equivalent or by warehouse receipt. The Corporation is not bound to follow the wish of the insured, but so far as is possible it will endeavor to pay the indemnity in the form which he indicates. The adjuster should call this provision of the program to the insured's attention and also point out to him that the warehouse receipt may not be issued by the warehouse which he designates in item 20. This is true because the Corporation will, of course, be obliged to procure warehouse receipts from the warehouse where it has wheat in storage.

Item 21.—At the time this form is being prepared, if the premium can be computed for insurance on the 1940 crop, the adjuster shall inform the insured of the amount of premium and suggest that the

amount thereof be deducted from the indemnity and applied on such policy. If the premium cannot be computed for the next year the insured should be encouraged to make a deposit equal to the premium for the 1939 policy.

Item 22.—The name of the insured should be typed or printed in the space provided therefor in the same manner as it appears on the policy and in the following space the insured or his agent should sign the form. The date on which the insured or his agent signs the form shall be inserted in the appropriate space in this item.

Item 23.—In the space provided in item 23, the adjuster shall sign the form and insert the date on which he signs it. In no event shall the adjuster sign the form until it has been signed by the insured. It is the date when the adjuster signs this form which determines the time as of which the cash equivalent of the indemnity claimed to be due will be computed. This date will, of course, be used only in case this form is also approved by the County Committee, the State Committee, and by the Branch Office of the Corporation.

Items 24 and 25.—In the appropriate space provided in item 24 of the form, one member shall date and sign the form on behalf of the County Committee. In the appropriate space provided in item 25 one member of the State Committee, or a person designated by the State Committee, will date and sign the form on behalf of the State Committee if it is found to be properly prepared.

H. Form FCI-68—"Adjuster's Narrative Report."

This form is for use by the adjuster in reporting pertinent and confidential information to the County Committee with respect to the insured's claim for loss. The adjuster shall prepare one narrative report for each application on the farm. The county office will prepare two typed copies of such form and shall send the original report and one typed copy to the State Committee, retaining one typed copy to be included in the insured's file in the county office.

In the upper right-hand corner, in the appropriate space provided therefor, insert the State and county code number and the numbers of all applications on the farm.

In the body of the form there should be inserted in the space provided therefor the name of the insured. This should correspond to the name of the insured as it appears on the Statement in Proof of Loss, Form FCI-67.

The adjuster should report all information which he believes is pertinent and in which the County Committee would be interested in considering the Statement in Proof of Loss of the insured. Particularly, the adjuster should give information with respect to item 3 of Form FCI-67. The adjuster should give the reason why the wheat has been left standing and has not been either threshed or harvested as grain.

The adjuster should also report on the condition of the acreage seeded for harvest as grain which was not, but should have been reseeded. The cause of damage and persons responsible for damage to the crop may be elaborated on in this report.

In particular, items 5, 6, and 8 of Form FCI-66 should be supplemented in this report. Such other items on that form should also be supplemented as the adjuster believes to be necessary. Any dis-

crepancy of consequence between FCI-67 and any previous report should be fully explained.

Item 5, Form FCI-66, relates to the wheat already used, at the time of threshing, for feed, seed, etc. It may be that the adjuster will wish to explain specifically the manner in which the wheat was disposed of and also give any information regarding any unusual circumstances concerning such disposition.

If any wheat is reported in item 6 on Form FCI-66, the adjuster may wish to explain more in detail how the quantity reported was computed than is desirable on the sketch attached to Form FCI-66.

Item 8 of Form FCI-66 is for reporting deductions, if any, for dockage, etc., of binned wheat and other wheat. The adjuster may wish to state the reason in a particular case, why allowance is made for dockage and his method of determining the amount thereof.

In the space provided at the bottom of the form, the adjuster should insert the name and address of the person who assisted him in filling out the Form FCI-66. In most cases the person will probably be the operator of the farm or some other person working on the farm who is familiar with its operation. If no one assisted the adjuster in the preparation of Form FCI-66, the adjuster shall insert in the space provided for the name and address of the person the words "no one."

In the appropriate spaces the adjuster shall enter the date the FCI-8 was filed and the date of harvest, transfer, removal, or other use of the crop, or portion thereof, for which the FCI-8 was filed. If no FCI-8 was filed, enter the word "none" on the line indicating the date of filing, but in every case the date of harvest, etc., should be entered.

At the bottom of the form the adjuster should date and sign in the spaces provided therefor.

I. Form FCI-69—"List of Requests to Make Other Use of Acreage."

This form is for use by a county committeeman in reporting to the State Committee the number of requests to put acreages of wheat which have been totally destroyed, or substantially totally destroyed, to other uses and the disposition by the County Committee of such requests. This form shall be submitted to the State Committee on Monday of each week, unless otherwise provided for by the State Committee, and shall cover all such requests and dispositions made during the preceding week.

An original and one copy of this form shall be prepared, the original to be forwarded to the State Committee and the copy to be retained in the county office.

In the upper right-hand corner there shall be inserted the State and county code number. In the space provided therefor following the title of the form there shall be inserted the name of the county.

Column 1—"Application Numbers."—In this column there shall be inserted the list of application numbers covering all applications on all farms for which requests for permission to put wheat acreage to another use were received in the week preceding the report.

Column 2—"Acreage Requested."—In this column there shall be inserted the acreage requested to be put to another use.

Column 3—"Acreage Approved."—In this column there shall be inserted the acreage which has been approved to be put to another

use as approved on Form FCI-64. In most cases the acreage in column 3 will correspond to the acreage in column 2, because the adjuster will report requests only in those instances where he recommends the approval of the action requested.

Column 4—"Appraised Yield."—There shall be inserted in this column the appraised yield reported on Form FCI-64 for all acreage for which approval was given to put such acreage to some other use.

Column 5—"Cause of Damage."—There shall be inserted in this column a statement of the cause or causes of damage on each of the fields for which approval has been given to put such acreage to some other use.

At the bottom of the form a county committeeman acting for and on behalf of the County Committee should date and sign the form in the spaces provided therefor.

APPENDIX

Measurements and Quantity Determination

The measurements of the wheat bin must be inside measurements and must be taken very carefully. Before measuring the height of the wheat in the bin, the adjuster should insist that the wheat be leveled off evenly and may, if he deems it advisable, chalk mark the wheat line on the inside of the bin. Extreme care should be taken in measuring the diameter of a round bin or granary. The inspector should get inside the bin or granary on top of the wheat to measure the inside diameter of the bin or granary and the diameter of the ventilator, if any.

The volume of a rectangular bin or granary is expressed in cubic feet, and is computed by multiplying the width by the length by the height.

The volume of wheat in a round bin or granary may be computed by multiplying one-half the diameter squared times 3.1416 and this result multiplied by the depth of the wheat in the bin. In case of a round ventilator in the bin, the same process should be used to calculate the volume of the ventilator and this amount subtracted to get the net volume of the bin.

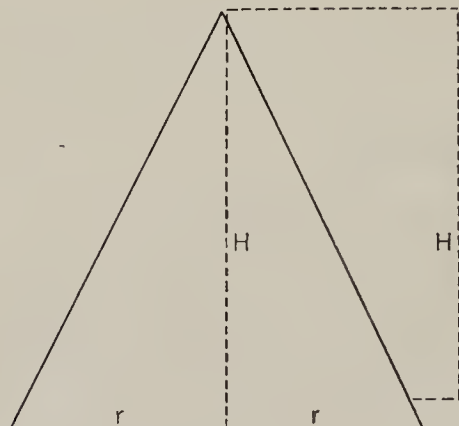
Where bins or granaries of any type contain chutes, ventilators, studs, crossties, etc., which take up space included in the overall measurements of the wheat, careful measurements should be taken and the total volume in cubic feet deducted from the gross cubic content of the bin to arrive at the volume of stored wheat in cubic feet.

These items may be converted to bushels by multiplying by 0.8, which will give the result in bushels of 60-pound wheat. If the test weight is other than 60 pounds per bushel, reference should be made to the table of correction factors and the gross bushels converted to net bushels by the application of the factor applicable to the test weight of the wheat.

Table of correction factors to convert gross bushels to net bushels

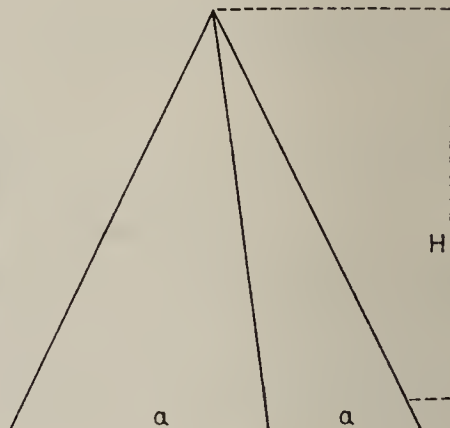
Test weight (pounds):	Per- cent- age	Test weight (pounds):	Per- cent- age	Test weight (pounds):	Per- cent- age
65-----	108	54-----	90	43-----	72
64-----	107	53-----	88	42-----	70
63-----	105	52-----	87	41-----	68
62-----	103	51-----	85	40-----	67
61-----	102	50-----	83	39-----	65
60-----	100	49-----	82	38-----	63
59-----	98	48-----	80	37-----	62
58-----	97	47-----	78	36-----	60
57-----	95	46-----	77	35-----	58
56-----	93	45-----	75		
55-----	92	44-----	73		

CONE ON THE GROUND



$$1.0472 \times r^2 \times H = \text{Cu. ft.}$$

PYRAMID ON THE GROUND



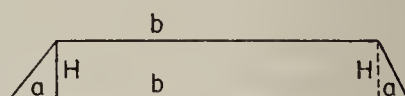
$$1/3 \times a^2 \times H = \text{Cu. ft.}$$

PRISM ON THE GROUND, ROUNDED ENDS.

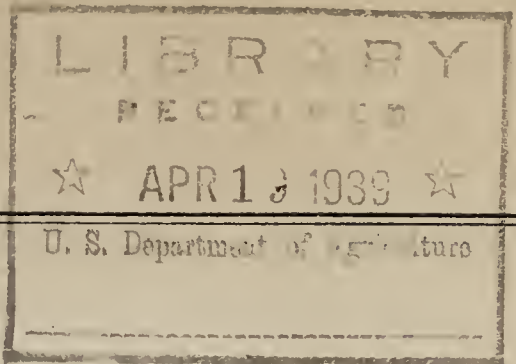


$$1.0472 \times r^2 \times H \text{ plus } b \times r \times H = \text{Cu. ft.}$$

PRISM ON THE GROUND, SQUARE ENDS.



$$1/3 \times a^2 \times H \text{ plus } b \times a \times H = \text{Cu. ft.}$$



COUNTY YIELD AND RATE PROCEDURE

WHEAT CROP INSURANCE



UNITED STATES DEPARTMENT OF AGRICULTURE
FEDERAL CROP INSURANCE CORPORATION
WASHINGTON, D. C.

Issued March 29, 1939

Summary of Steps in Procedure

FIRST. The county committee shall prepare a tentative work list of farms to be used as key farms, using ACP listing sheets and 1939 crop insurance applications as a basis for selection.

SECOND. Clerical help shall prepare from available records Form FCI-2, Crop Insurance Work Sheet, in duplicate for each farm on the tentative work list. They shall also prepare a county map showing by dots the location of the key farms in the county.

THIRD. The county committee shall review the work sheets, making such revisions and appraisals of annual yields as are advisable and allowable, and designate the farms to be used as key farms.

FOURTH. Clerical help shall prepare Form FCI-3, Key Farm Listing Sheet, for approval by the county and State committees and the Federal Crop Insurance Corporation.

FIFTH. Clerical help shall then prepare work sheets and listing sheets for other farms, for which reliable and applicable annual yield data are readily available. The county committee shall review such sheets and submit them for approval by the State committee and the Federal Crop Insurance Corporation.

SIXTH. Clerical help shall then list on Form FCI-4, Appraised Farm Listing Sheet, all other wheat farms on which a wheat acreage allotment was established under the most recent agricultural conservation program.

SEVENTH. Upon receipt of the approved Key Farm Listing Sheet, clerical assistants shall prepare a revised county map and a dot chart for key farms.

EIGHTH. The committee shall appraise the adjusted average yield and premium rates for each farm on the Appraised Farm Listing Sheets. A dot chart for appraised farms shall be prepared.

NINTH. Adjusted average yields and premium rates per acre for all farms on all listing sheets shall be revised, if necessary, to meet county check yield and county check premium rates.

TENTH. After appraised yields and premium rates have been finally established by the county committee, all listing sheets, with the related papers, shall be immediately forwarded to the State office for approval by the State committee and the Federal Crop Insurance Corporation.

ELEVENTH. As soon as the approved copy of the Appraised Farm Listing Sheet has been received in the county office from the State office, a letter shall be mailed to each person who will have an insurable interest in the 1940 wheat crop on any listed farm, stating the adjusted average yield and premium rates for the farm. This shall be done not only for the farms on the Appraised Farm Listing Sheet, but also for those on the Key Farm Listing Sheet and the Historical Farm Listing Sheet.

If no objection is received within 15 days after notices have been mailed, the county committee shall assume that such yields and rates are satisfactory. If objections are received, the county committee should consider them, and when revisions are warranted, such revisions shall be submitted to the State office for approval.

COUNTY YIELD AND RATE PROCEDURE— WHEAT CROP INSURANCE

SECTION I. GENERAL

FOR THE wheat crop insurance program on the crop to be harvested in 1940, it will be necessary, in order to avoid delay, that the adjusted average yield and premium per acre figures for each wheat farm¹ be determined before the application-writing period. These figures will be approved in advance by the State office and the Federal Crop Insurance Corporation, so that it will not be necessary to submit detailed data on the application, but only the adjusted average yield and premium rate per acre figures.

The base period is the 9 years, 1930–38, inclusive. For farms for which reliable and applicable annual yield data are available for at least 4 years of the period 1930–35 and at least 2 years of the period 1936–38, the annual yields not available for the base period shall be appraised. The average yield for the base period shall then be determined by taking the simple average of the annual yields. The annual loss cost shall be determined from the record of actual or appraised annual yields, and the average loss cost for the base period shall be the simple average of the annual loss costs.

¹ *Definition of farm.*—For the purpose of this procedure, a farm means: "All adjacent or nearby farm land under the same ownership which is operated by one person, including also, any field-rented tract (whether operated by the same or another person) which, together with any other land included in the farm, constitutes a unit with respect to the rotation of crops."

Location of farm.—A farm shall be regarded as located in the county or administrative area, as the case may be, in which the principal dwelling is situated, or if there is no dwelling thereon, it shall be regarded as located in the county or administrative area, as the case may be, in which the major portion of the farm is located.

The adjusted average yield and the adjusted average loss cost are to be determined by applying to the average yield for the base period and to the average loss cost for the base period the respective adjustment figures for the county. Such adjustment figures are necessary to convert the average yields and average loss costs for the 9 years (1930–38) base period to the 13-year (1926–38) period.

The premium rate per acre shall be determined as the average of the adjusted average loss cost for the farm and the adjusted average loss cost for the county.

For farms for which reliable and applicable annual yield data are not available, or readily obtainable, for at least 4 years of the period 1930–35 and at least 2 years of the period 1936–38, the adjusted average yield and premium rate per acre ordinarily shall be determined by appraisal. Such appraisals shall be made by a comparison of the farms with key farms which have been selected for appraisal purposes.

For farms with reliable and applicable annual yield data for at least 4 years of the period 1930–35 and at least 2 years of the period 1936–38, the procedure will not differ materially from that followed for the 1939 crop year, except that the computations will be done on work sheets and county listing sheets prior to the application-writing period. For farms for which appraisals have to be made, the procedure to be carried out in advance of the application-writing period will be somewhat similar to that outlined in FCI-31—Supplement 5 for the crop year 1939, providing for appraisal by use of key farms. In the procedure for the 1940 crop year, however, the

county committee will appraise the adjusted average yield and premium rate per acre for the 1926-38 period, rather than the average yield and average loss cost for the base period.

Annual yield data submitted on applications for the 1939 crop year, as well as new data submitted, should be reviewed carefully before being used. While primary emphasis should be placed on examining yield data not previously reviewed, attention should also be given to reconsideration of any data previously submitted.

It will be necessary that the adjusted average yields for all the individual farms in the county average out to a figure that is consistent with the 13-year (1926-38) yield for the county as reported by the Department of Agriculture. Consequently, the county committee should review carefully the annual yield data to be used to be sure that there is no misstatement of such yields, particularly for key farms.

SECTION II

Determination of Adjusted Average Yields and Premium Rates Per Acre For Farms With Reliable and Applicable Recorded Annual Yield Data for at Least 4 Years of the Period 1930-35 and at Least 2 Years of the Period 1936-38

For these farms the adjusted average yields and premium rates per acre shall be computed by the preparation of Form FCI-2, Crop Insurance Work Sheet, for each farm, and a crop insurance listing sheet. Many of these farms will be used as key farms. Because data for key farms will have to be approved before appraisal of adjusted average yields and premium rates can be made for other farms for which adequate reliable data are not available, it will be necessary that the work sheets and the listing sheets for the key farms be prepared first by following the procedure outlined herein for key farms.

The procedure for other farms (historical) with reliable and applicable annual yield data

will differ from the procedure for key farms only as follows:

1. The farm numbers for key farms shall be preceded by the letter "K," whereas, for other farms it shall be preceded by the letter "H."
2. The listing sheet title for key farms shall be "Key Farm Listing Sheet" and for other farms shall be "Historical Farm Listing Sheet."
3. A county map is required for key farms.
4. In no case should historical farms be included where reliable and applicable annual yield data are not available or readily obtainable for at least 4 years of the period 1930-35, and at least 2 years of the period 1936-38.

KEY FARMS

The county committee with the assistance of the community committee where necessary shall designate representative farms in each ACP community where wheat is grown to be used as key farms in appraising yields and premium rates for farms for which reliable and applicable annual yield data are not available.

In selecting key farms the county committee shall review all records of annual yield data for the base period available to it, or readily obtainable, such as the 1939 wheat crop insurance application and Forms Wheat 201 or 203, and, insofar as can be done, should select as key farms, farms for which reliable and applicable annual yield data are available for all years of the base period. It may be possible to use many of the key farms which were used in the 1939 crop-year program as key farms for the 1940 crop-year program.

The group of key farms selected by the county committee shall cover all parts of the area in the county in which wheat is grown and shall adequately represent the various soil types and soil conditions of farms in the county, the differences in farming operations (including irri-

gation), the various risks to which farms in the county are subject, and all other factors having a bearing upon appraisals of yields and premium rates. The spread of yields in the key farm group shall be typical of the spread in yields for all wheat farms in the county, including farms of both the lowest yield group and the highest yield group. Similarly, the loss experience of the key farm group shall be typical of the spread in loss experience for all wheat farms in the county.

The minimum number of key farms, when listing is completed, shall be 10 percent of the wheat farms in the county or 75 farms, whichever is the lesser number. Although no maximum is set, it is probable that in no county will the number of key farms need to exceed 100. In parts of the county where wheat farms are of a uniform character it probably will not be necessary to have as large a proportion of key farms as in parts of the county where farms are not uniform.

The farms tentatively selected by the county committee as key farms shall be listed on a suitable form prepared in the county office and shall include the 1939 ACP farm number, the ACP identifying name, and the 1939 crop insurance application number, if any.

This list should then be given to clerical assistants in the county office, who will prepare work sheets, Form FCI-2, in duplicate, for the farms on the list for which the required data are available. The work sheet is the form used to determine the average yield and average loss cost for the base period for individual farms. For the 1940 crop insurance program annual yield data will not be entered on the crop insurance application but only on the work sheets and listing sheets.

The information relative to acreages seeded, production, and yields should be obtained, if possible, from 1939 crop insurance applications, supplemented by yield figures for 1936, 1937, and 1938 from the Inspection Report, if such data are not available on the applications. The county office will have received from the

branch office of the Corporation a statement setting forth final yield figures that were used for the 1939 policy in cases where such figures differ from the original recommendation of the county committee. In a few instances, county committees recommended annual yield figures for the 1939 crop-year program with a 6-year base period that would not be applicable for the 1940 program with a 9-year base period. Careful review of the committee's recommendation should be made before using yields that were recommended for the 1939 program. If a 1939 crop insurance application was not submitted on a farm tentatively selected as a 1940 key farm, the data should be obtained from Forms Wheat 201 or 203, and from any other source which the county committee determines is reliable.

Appraisals and Revisions of Yields.

If information as to acres seeded and total production is not available to the clerical assistants for 1 or 2 of the years 1930-35, inclusive, or for 1 year of the years 1936-38, inclusive, the county committee should be consulted regarding the possibility of securing the required information from other sources. If reliable and accurate information is not available to the county committee as to acres seeded and total production for these years, or, if no wheat was seeded on the farm and the county committee believes that the farm is needed as a key farm because it is particularly representative of certain farms in the county, the committee may appraise a yield for the year or years for which the required information is not available. Any such appraisal shall be based upon reliable records of yields in such years on similar farms in the county which were farmed in a similar manner, or upon reliable and applicable records of yields on the same farm for other similar years of the base period. Acreage and production figures should not be appraised; only the yield per acre should be appraised. The facts taken into consideration in determining the yield for the one or more years for which acreage

and production data are not available shall be recorded in the blank space on the bottom of the work sheet and signed by one member of the county committee. If more space is required, the back of the form may be used.

The county committee shall review carefully all computed yields. If it deems any are incorrect or not applicable, it should recommend a revised figure which it determines to be correct and applicable.

Careful discretion should be used in making revisions of computed yields. Computed yields should not be considered as inapplicable for minor reasons. There must be substantial grounds for such inapplicability. The basis for each revision of yield should be explained fully and justified at the bottom of the sheet and signed by one member of the committee. The committee should not limit its revisions to those that would raise the yields.

If the yield for any year is exceedingly low due to a cause **which did not result in similar losses generally throughout the county and which is not likely to cause a loss in yield on such farm more frequently than once in a period twice the length of the 9-year base period**, the county committee shall revise such yield upward to the extent which it determines will result in an average yield for the farm which properly reflects the infrequency of loss due to such cause: *Provided, however*, That such yield shall not be adjusted upward to the extent that no loss cost for 75 percent insurance is shown for such year.

The number of appraisals and revisions (except corrections of errors in computations) combined shall not exceed two for the years 1930-35, inclusive, and one for the years 1936-38, inclusive: *Provided, however*, That if representative key farms cannot be obtained in a community because of this limitation on appraisals and revisions, the county committee may appraise or revise annual yields for more years. A memorandum explaining the need for appraising more years should be submitted with the Key Farm Listing Sheet. In this memorandum,

explanations should be made in the order in which the farms appear on the listing sheets.

In making appraisals and revisions of yields, it should be remembered that overstatement of yields is likely to have the effect of raising the premium rates for the entire county in the future, since rates in the future will be greatly influenced by the loss experience on the farm and in the county during policy years.

Work Sheets, Form FCI-2—Wheat 1940 (*see sample form on next page*).

Work sheets shall be prepared in duplicate, the original copy to be submitted to the State office and the carbon copy to be kept in the county files. Care should be taken that the duplicate copy is legible and that any changes made on the original are made also on the duplicate.

In preparing work sheets, clerical assistants should first fill in the ACP identifying name, the farm number as taken from the 1939 ACP listing sheets, and the 1939 crop insurance application number, if any. Legal descriptions may be obtained from related forms on file in the county office. The 1939 operator's name, whenever possible to obtain, should also be entered. With this information, clerical assistants should be able to locate in the files in the county office the necessary Forms Wheat 201 or 203, and 1939 crop insurance applications which included the land for which a work sheet is to be filled out. In cases where the land included in the work sheet is not identical land as to total area included in Wheat 201 or 203 but is a major part of such land, the data should be included on the work sheet if the county committee determines that the land included in the work sheet is comparable in producing ability and insurance risks to all the land included in the Wheat 201 or 203 record. If the land included in the work sheet consists of the land in two or more farms listed on Forms Wheat 201 or 203, data for acreage and production should be combined to determine a combined yield figure.

(State and county code)

UNITED STATES DEPARTMENT OF AGRICULTURE
FEDERAL CROP INSURANCE CORPORATION

CROP INSURANCE WORK SHEET

ACP farm No. _____ ACP wheat-acreage allotment _____
ACP identifying name _____ 1939 FCI application No. _____
Operator _____ Wheat 201 or 203 No. _____
Legal or general description _____ Key or historical farm No. _____

Crop year	Total acres seeded	Total production	Yield per seeded acre		75 per- cent of average yield	Annual loss cost per acre (75 per- cent)	50 per- cent of average yield	Annual loss cost per acre (50 per- cent)	Source of information on yields
			Com- puted	Recom- mended					
A	B	C	D	E	F	G	H	I	J
1930		<i>Bushels</i>	<i>Bushels</i>	<i>Bushels</i>	<i>Bushels</i>	<i>Bushels</i>	<i>Bushels</i>	<i>Bushels</i>	
1931									
1932									
1933									
1934									
1935									
1936									
1937									
1938									
1. Total for period 1930 to 1938			xx		xx		xx		
2. Average for period (total di- vided by 9)			xx		xx		xx		

Column A: This column is for the crop year and refers to the year in which the crop was harvested.

Column B: Enter the acres seeded to wheat for harvest for each of the years 1930-38, as recorded on the 1939 crop-insurance application, the Inspection Report, or Forms Wheat 201 or 203, or, if the information is not available from these sources, it may be obtained from whatever other source the county committee determines is reliable and accurate. If acreage is shown to tenths of acres, show decimal point clearly.²

Column C: Enter total production for each year.³

Column D: Enter the average yield per acre obtained by dividing the entry in Column C by the entry in Column B. Carry to two decimal places and round to one place. **Fractions representing five one-hundredths or less shall be dropped, and fractions representing more than five one-hundredths shall be considered as a whole tenth.**

Column E: This column entitled, "Recommended Yield," is for the county committee's figure for annual yields. If Column D is approved by the county committee, it should be extended to Column E. If the committee

² Acreage seeded to wheat shall include: (1) All acres seeded to wheat with the intention of harvesting the same as grain; (2) all acres of wheat seeded for purposes other than harvest as grain on which the wheat was allowed to ripen and was harvested or otherwise used. Acres reseeded to wheat shall be counted only once.

³ Total production shall include: (1) All wheat harvested, or otherwise used after ripening, from acres seeded to wheat with the intention of harvesting the same for grain; (2) all wheat which was allowed to ripen and was harvested, or was otherwise used, from acres seeded for purposes other than the harvest as grain, but shall not include wheat destroyed by causes insured against after maturity but before threshing or before the first day of October if threshing was not completed on that date. In areas and under circumstances where insurance protection does not terminate under the policy on wheat that is combined and sacked until 120 hours after threshing, production shall not include wheat combined and sacked that was destroyed by causes insured against during such period.

wishes to recommend a revised yield different than the computed yield, it should be entered in Column E. Appraised yields should also be entered in Column E.

Total the entries in Column E and enter the total in line 1 of Column E. Divide this total by nine and enter the result in line 2 of Column E.

Column F: Determine 75 percent of the figure in line 2, Column E (9-year average yield) and enter this result in Column F for each of the years 1930-38.

Column G: Enter for each year the excess of Column F over Column E. In years where there is no excess enter "0" and not a dash. This figure is the annual loss cost for 75 percent insurance.

Enter in line 1, the total of Column G. Divide this total by nine and enter the result in line 2 of Column G.

Column H: Determine 50 percent of the entry in line 2, Column E (9-year average yield) and enter this result in Column H for each of the years 1930-38. Where it is anticipated that there will be no applications for 50 percent insurance, the computations for Columns H and I may be omitted.

Column I: Enter for each year the excess of Column H over Column E. In years where there is no excess enter "0" and not a dash. This figure is the annual loss cost for 50 percent insurance.

Enter in line 1, the total of Column I. Divide this total by 9 and enter the result in line 2 of Column I.

Column J: Enter notation as to the source from which the information in Columns B and C was obtained for each of the years 1930-38, such as Wheat 201, No. 86; FCI-1, No. 48; Farm Record Book; Elevator Sales slips, etc. If all years are the same, one notation will be adequate. If several years are the same, they may be bracketed.

All entries, transcriptions, computations, etc., on this sheet and subsequent sheets should be checked carefully to avoid delay in review and possible return to the county for correction.

County Map.

After clerical assistants have prepared the work sheets as outlined above, they shall prepare a county map and indicate by dots on this county map the locations of farms which have been selected for key farms. The ACP farm number, the 9-year average yield, and the 9-year average loss cost for 75 percent insurance shall be shown near the dot.

County Committee Review.

The county committee shall then carefully review the county map to determine if the selected farms are well distributed over the entire wheat-producing area of the county, and with a view to familiarizing themselves with the various yields and loss costs so that they will be able to explain to applicants for wheat crop insurance the reasons for the various yields and loss costs. If any of the farms have records of yields and loss costs which do not appear to be logical when compared with other farms and with conditions in the county, the work sheet should be reviewed for reliability and accuracy of the recorded figures as to acres seeded and total production. If such entries, in the opinion of the county committee, are not reliable, the county committee shall revise the yield figure which was originally entered in column E. Except as otherwise provided the total number of revisions and appraisals shall not exceed two for the years 1930-35 and one for the period 1936-38.

The reasons for considering the recorded yield in error and basis for determining the revised yield shall be recorded on the bottom of the work sheet and signed by a member of the county committee. Proper corrections should then be made by clerical assistants in other columns where necessary, by lining out the original entry and entering the correct figure above it. The totals and averages should be corrected. Should any work sheets be considered inapplicable after following the procedure heretofore outlined, they should be discarded and other farms selected.

Numbering.

The work sheets which the county committee determines as accurately representative of wheat-growing conditions in the county shall then be arranged by ACP communities and arranged systematically within the community. The work sheets shall then be numbered consecutively beginning with No. K-1, K-2, etc. These numbers shall be entered in the line marked "Key Farm Number."

Key Farm Listing Sheet, Form FCI-3 (*see sample on page 8*).

The Key Farm Listing Sheet should then be prepared by clerical assistants and the work sheet data listed thereon. Listing should be done in black with ink or on typewriter.

Column 1: Enter the key farm number.

Column 2: Enter the ACP farm number.

Column 3: Enter the ACP identifying name.

Column 4: Enter the name of the operator.

Column 5-A: If the 1940 wheat-acreage allotment is not available, enter the 1939 allotment. Otherwise leave the column blank.

Column 5-B: If the 1940 wheat-acreage allotment is available enter such allotment figures.

If the 1940 wheat-acreage allotment is not available and the 1939 wheat-acreage allotment is the only one recorded on the listing sheet when submitting it to the State office for review, it will be necessary to enter the 1940 allotment figures in this column after the listing sheet has been approved and returned to the county office. In addition to listing the 1940 wheat-acreage allotment on the listing sheet, after it is returned, it will be necessary for the county committee to submit such allotments for all farms on all crop insurance listing sheets to the State office. In transmitting this information, farms shall be arranged by farm numbers shown in Column 1 of the crop insurance listing sheets.

Column 6: This column should be reserved for the application number for insurance on the 1940 wheat crop, if an application is submitted

03030000 6133045

[illegible][illegible]

on such farm. The application number will be entered on the listing sheet during the application-writing period, prior to transmittal of the application to the State office.

Columns 7 to 15, inclusive: Enter the annual yields as recorded in Column E of the work sheets. **Appraised or revised annual yields should be circled.**

Column 16: Enter the 9-year average yield for the base period as shown in line 2, Column E, of the work sheet.

Column 17: This column should be reserved for State office or Corporation use.

Column 18: This column should be reserved for the adjusted average yield which will be entered by the State office after the actuarial table for the State is available.

Column 19: Enter the average loss cost for the base period for 75 percent insurance. This figure shall be obtained from line 2, Column G, of the work sheet.

Column 20: This column should be reserved for State office or Corporation use.

Column 21: This column shall be reserved for the adjusted average loss cost which will be entered by the State office.

Column 22: Enter the average loss cost for the base period for 50 percent insurance. This figure shall be obtained from line 2, Column I, of the work sheet.

Column 23: This column should be reserved for State office or Corporation use.

Column 24: This column should be reserved for the adjusted average loss cost which will be entered by the State office.

Columns 25 and 26: These columns for premium rate per acre should be left blank. These rates will be entered by the State office.

Forwarding to State Office.

After completion of work on the Key Farm Listing Sheet, the listing sheet, the original copy of the work sheets, and the county map shall then be forwarded to the State office for approval by the State committee and the Federal Crop Insurance Corporation.

OTHER FARMS WITH ANNUAL YIELD DATA (HISTORICAL)

After forwarding the material on key farms to the State office, work sheets and listing sheets shall be prepared for other farms with reliable and applicable annual yield data for at least 4 years of the period 1930-35, and at least 2 years of the period 1936-38.

The procedure shall be the same as for key farms, except:

1. The farm number shall be preceded by the letter "H."
2. The listing sheet shall be the same form as for key farms, using the applicable title (strike out the word "Key").
3. A county map need not necessarily be prepared for historical farms.
4. In no case should historical farms be included where reliable and applicable annual yield data are not available or readily obtainable for at least 4 years of the period 1930-35, and at least 2 years of the period 1936-38.

Work sheets shall be prepared for all farms with reliable and applicable annual acreage, production, and yield data on which the county committee knows or believes that an application for crop insurance on the 1940 wheat crop will be submitted.

When the work is completed in the county office, the original copy of the work sheets and the listing sheets shall be forwarded to the State office for approval of the State committee and the Federal Crop Insurance Corporation.

SECTION III. APPRAISALS

Advance Preparation.

After completing and forwarding to the State office the work sheets and the Historical Farm Listing Sheet, county clerical assistants shall start the preparation of the Appraised Farm Listing Sheet, Form FCI-4 (see page 8). They shall list all farms on which a wheat acreage allotment was established under the most recent

Agricultural Conservation Program, except farms listed on the Key Farm Listing Sheet and the Historical Farm Listing Sheet. If any applications are received for insurance on farms for which yields and premium rates have not been established, a supplementary listing sheet will be submitted at that time. Special instructions for such listing sheets will be included in the procedure relating to applications.

The list shall be made by ACP communities using the same arrangement within such classification as was used on the Key Farm Listing Sheet. The listing shall be done in black with ink or by typewriter to facilitate reproduction.

Column 1: Leave blank temporarily (see below).

Column 2: Enter the ACP farm number.

Column 3: Enter the identifying name from the most recent ACP listing sheet. Incorporate any change in identifying names.

Column 4: Enter the name of the 1940 operator, if available.

Column 5-A: If the 1940 wheat-acreage allotment is not available or will not be available by the time appraisals are recorded on this sheet, enter the 1939 wheat-acreage allotment.

Column 5-B: If the 1940 wheat-acreage allotment is available, enter the 1940 wheat-acreage allotment.

If the 1940 wheat-acreage allotment is not available and the 1939 wheat-acreage allotment is the only one recorded on the listing sheet when submitting it to the State office for review, it will be necessary to enter the 1940 allotment figures in this column after the listing sheet has been approved and returned to the county office. In addition to listing the 1940 wheat-acreage allotment on the listing sheet, after it is returned, it will be necessary for the county committee to submit such allotments for all farms on all crop insurance listing sheets to the State office. In transmitting this information farms shall be arranged by farm numbers shown in Column 1 of the crop insurance listing sheets.

Column 6: Leave this column blank temporarily. The crop insurance application number, if an application is submitted, should be entered in this column before the application is forwarded to the State office.

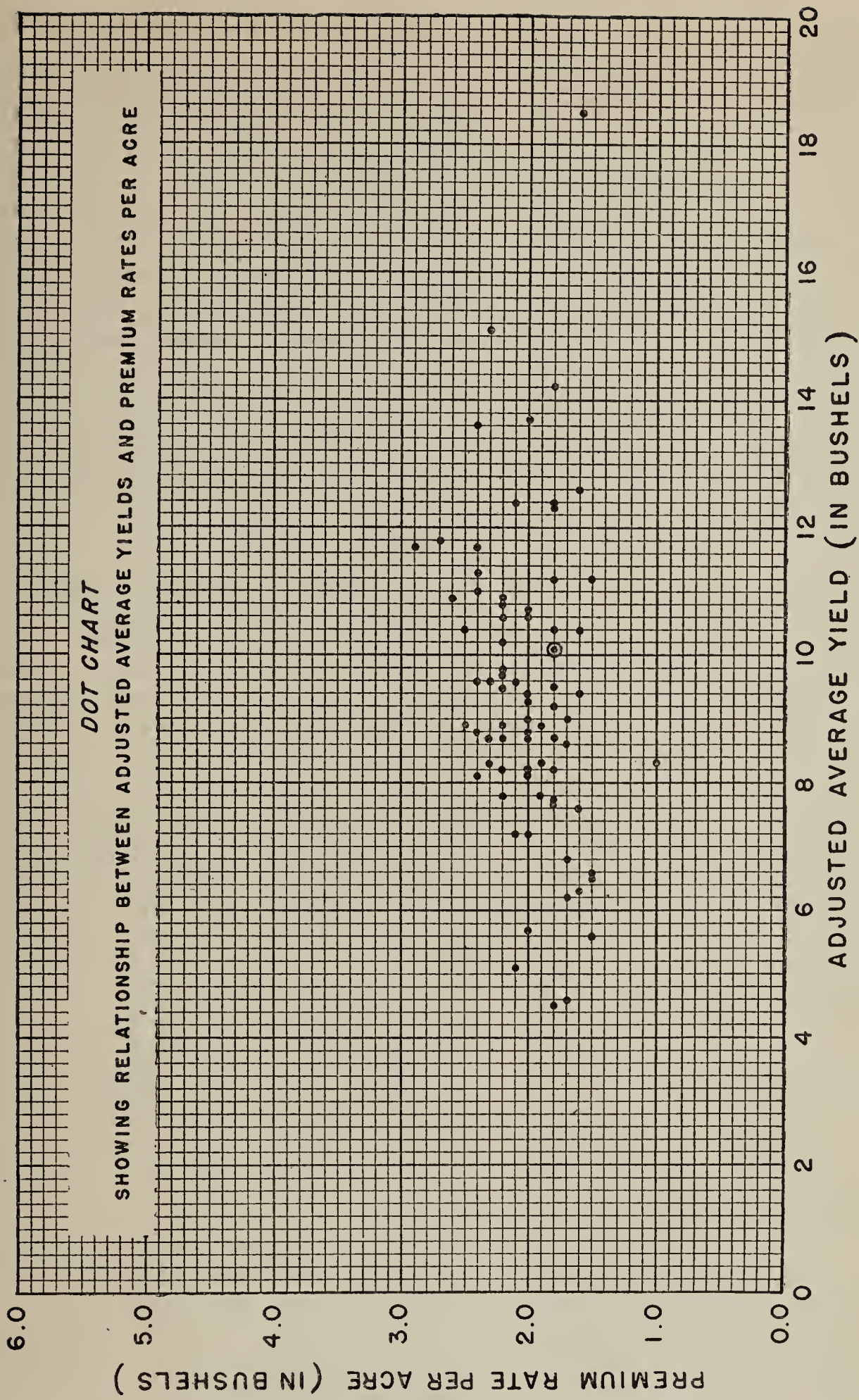
Column 1: After the work previously outlined is completed, all farms shall be numbered in this column beginning with A-1, A-2, etc., and continue consecutively until all farms have been assigned a crop insurance number. The letter "A" before the number will indicate that the yield and premium rates have been appraised.

No further work will be done until the approved copy of the Key Farm Listing Sheet has been received from the State office.

Maps and Dot Charts.

Upon receipt in the county office of the approved Key Farm Listing Sheets a new county map shall be prepared showing the key farm number, the adjusted average yield, and premium rates per acre for each key farm. This should be submitted to the State office with the Appraised Farm Listing Sheet. It will not be necessary, after factoring yields and premium rates, to prepare a new map showing the revised figures.

A dot chart similar to the one shown on the next page shall be prepared showing the relationship between adjusted average yields and premium rates (75 percent insurance only) for key farms. A dot should be shown on the chart for each key farm. The location of the dot should be determined as follows: The distance of the dot from the left margin should be the amount of the adjusted average yield measured along the scale at the bottom of the chart. The distance of the dot from the bottom of the chart should be the amount of the premium rate per acre measured along the scale at the left of the chart. For instance, the dot that is circled on the sample dot chart is for a farm that has an adjusted average yield slightly more than 10 bushels and a premium rate per acre of 1.8 bushels.



THE RANGE IN YIELDS AND PREMIUM RATES SHOWN ON THIS CHART AND THE GENERAL PATTERN OF THE CHART ARE NOT REPRESENTATIVE OF ALL AREAS. IT IS NOT EXPECTED THAT THE DOT CHART FOR ALL COUNTIES WILL SHOW A SIMILAR RANGE OR PATTERN.

This chart will show the range in yields and range in premium rates for key farms in the county. It should be studied carefully. The extremes should be noted and considered when making appraisals.

A similar dot chart should be prepared for appraised farms using appraised yields and appraised premium rates. This chart should be made at the time of appraisal. Frequent comparison of this chart with the one for key farms will be of assistance to the county committee in making appraisals.

Since the yields on both key and appraised farms may be revised by factoring, the dot charts may not be exactly representative of final figures. It will not be necessary, however, to revise the charts. Both dot charts should be submitted to the State office with the listing sheets.

If not more than 500 farms are to be appraised in a county, a dot should be placed on the chart for each farm. If more than 500 but not more than 1,000 are to be appraised and the county committee does not wish to record dots for all farms, a dot should be made for each second farm on the list; i. e., for farms numbered 2, 4, 6, 8, etc. If more than 1,000 but not more than 1,500 are to be appraised, a dot may be made for each third farm on the list. If more than 1,500 but not more than 5,000 are to be appraised, a dot should be recorded for each tenth farm on the list. As each dot is recorded, a small check mark should be made on the listing sheet above the yield figure.

Community Committee Assistance.

The county committee shall obtain the assistance of a community committeeman to appraise yields and premium rates for all wheat farms in his community that are listed on the Appraised Farm Listing Sheet. It is recommended that the member of the community committee who is most familiar with wheat growing and crop insurance in each community be selected to assist the county committee in its appraisal of yields and premium rates.

Determining the Most Similar Key Farm.

In making appraisals the county committee and the community committeeman should first determine to which key farm the farm to be appraised is most similar. In making this decision they shall use as a guide in all cases the county map showing the location of key farms. They shall also consider types of soil, farming practices, farming ability of the operators, size of wheat-acreage allotments, production history that is available, and any other pertinent factors affecting yields. Only in exceptional cases, an explanation of which should be given, should a farm be appraised on the basis of a key farm that is not in the same community or in an adjacent one.

Appraisal of Adjusted Average Yields.

The adjusted average yield that is appraised should be based on the adjusted average yield for the similar key farm. It should be remembered that this appraised yield is for the 13-year (1926-38) period and all factors affecting yields in that period of years should be considered. The appraised yield may or may not be the same yield as that of the similar key farm. However, if the appraised yield is more than 10 percent greater or less than the similar key farm, the reasons for such difference must be submitted with the listing sheet.

Column 7: Enter the key farm number of the similar farm used as a basis for appraisal.

Column 8: Enter the adjusted average yield for such similar key farm.

Column 9: Enter the county committee's tentative appraisal of the adjusted average yield.

Column 10: This column should be left blank temporarily. It may be used later in revising the appraisals to meet a check yield.

Column 11: Leave blank. This is for revision by the State office or the Federal Crop Insurance Corporation.

Appraisal of Premium Rates.

The key farm used for appraising the premium rate shall be the same key farm as was used for appraising the yield. A deviation of as much as 10 percent from the premium rate for the key farm will be allowed without explanation, but the reason for any greater deviation must be submitted with the listing sheet to the State office. Deviations from the yield and premium rate per acre for key farms will not be permitted if the deviations are in the opposite direction, without submission of an explanation therefor; i. e., the committee may not deviate upward in yield and downward in premium rate or vice versa without explanation.

In appraising the premium rate per acre, the principal factor to be considered is variations in yield. Susceptibility to flood, differences in soil types, differences in the ability and responsibility of the operator, and other similar factors should be considered as they affect variations in yield.

Column 12: Enter the premium rate per acre for the similar key farm for 75 percent insurance.

Column 13: Enter the county committee's tentative appraisal of the premium rate per acre for 75 percent insurance.

Column 14: This column should be left blank temporarily. It may be used later in revising the appraisal to meet a check premium rate.

Column 15: Leave this column blank for State office or Corporation revision.

Column 16: Enter the premium rate per acre for the key farm for 50 percent insurance.

Column 17: Enter the county committee's tentative appraisal of the premium rate per acre for 50 percent insurance.

Column 18: Leave this column blank temporarily. It may be used later for revision of the appraisals to meet a check premium rate.

Column 19: Leave this column blank for State office or Corporation revision.

Explanations.

All explanations should be submitted in a

memorandum attached to the listing sheet. Explanations shall be listed in the order in which the farms appear on the listing sheet. This memorandum shall be prepared in triplicate and all copies shall be signed by a member of the county committee. Two copies shall be forwarded to the State office with the listing sheet.

Appraisals to Be As Nearly Accurate As Possible.

The appraisals of yields and premium rates must be made with great care. In making appraisals there is a tendency to bring the figures toward the county average. Care must be used to avoid such a trend in appraisal work. Inaccurate appraisals resulting from such a trend will result in an injustice to individual farmers and will materially increase the risks of insurance above that reflected in the premium rates.

SECTION IV

Revision of Adjusted Average Yields and Premium Rates to Meet County Check Figures

ADJUSTED AVERAGE YIELDS

After the tentative appraisals of yields have been recorded on the Appraised Farm Listing Sheets, it will be necessary in most cases to revise the adjusted average yields on all types of listing sheets, downward or upward, so that the average of the yields for all farms on all three types of listing sheets (Key Farm Listing Sheet, Historical Farm Listing Sheet, and Appraised Farm Listing Sheet) will conform with the check yield for the county. The check yield will be the average of the annual county yields as reported by the Department for the thirteen years (1926-38), as shown in the actuarial tables, unless the county is notified otherwise by the Corporation through the State office.

Clerical assistants shall multiply the adjusted average yield for each key farm and each historical farm as shown in column 18 of the listing sheet, by the most recent wheat-acreage allotment for the farm, and place the product

in column 27 of the listing sheet. They shall multiply the adjusted average yield for each appraised farm as shown in column 9 of the Appraised Farm Listing Sheet by the most recent wheat-acreage allotment for the farm, and place the product in column 29.

Totals shall be obtained of the columns showing such products for each of the three types of listing sheets and a grand total for the county shall be determined.

Totals shall also be obtained of the wheat-acreage allotments for each of the three types of listing sheets, and a grand total for the county shall be determined.

The grand total of the products of adjusted average yields and wheat-acreage allotments shall be divided by the grand total of the wheat-acreage allotments. The result should be carried to four decimal places and rounded to three places. This division will give a county average of the tentative yields shown on the listing sheets.

If the county average tentative yield differs from the check yield by one-tenth of a bushel or more, it will be necessary to revise the yields of individual farms by applying a factor. If the difference is less than one-tenth of a bushel, it will not be necessary to apply the factor.

The procedure to be used in determining the factor to be applied in revising yields is illustrated by examples following this explanation. The check yield for the county shall be divided by the county average of the tentative yields on the listing sheets. The factor should be carried to four decimal places and rounded to three decimal places.

EXAMPLE WHERE TENTATIVE YIELDS ARE REVISED
DOWNWARD

	Total of the products of adjusted average yields and acreage allotments for indi- vidual farms	Total acreage allotments
Key farms.....	150, 000	9, 000
Historical farms.....	160, 000	10, 000
Appraised farms.....	340, 000	21, 000
Totals.....	650, 000(A)	40, 000(B)

County average tentative yield on listing sheets= $\frac{A}{B}$ =
16.250 (round to 3 decimal places)
Factor to be applied to all yields shall be the county
check yield, which for this illustration is taken as
15.0 bushels, divided by the county average tentative
yield.

$$\frac{15.0}{16.250}=0.923 \text{ (round to 3 decimal places)}$$

EXAMPLE WHERE TENTATIVE YIELDS ARE REVISED
UPWARD

Key farms.....	100, 000	8, 000
Historical farms.....	100, 000	7, 000
Appraised farms.....	200, 000	14, 000
Totals.....	400, 000(A)	29, 000(B)

County average tentative yield on listing sheets= $\frac{A}{B}$ =
13.793 (round to 3 decimal places)
Factor to be applied to all yields shall be the county
check yield, which for this illustration is taken as 15.0
bushels, divided by the county average tentative
yield.

$$\frac{15.0}{13.793}=1.087 \text{ (round to 3 decimal places)}$$

After the factor for revising yields has been determined, it shall be applied to the adjusted average yields in column 18 of the Key Farm Listing Sheets and the Historical Farm Listing Sheets. Computations shall be carried two decimal places and the yield figure rounded to one decimal. The revised figure obtained by factoring shall be entered in column 30 and the column shall be headed, "County Committee Revised Yield."

On the Appraised Farm Listing Sheets, the factor for revising yields shall be applied to the appraised yields shown in column 9, and the yields as revised by factoring shall be entered in column 10.

PREMIUM RATES

A comparable procedure should be followed for revising premium rates to the county check premium rate. The county check premium rate is the adjusted average loss cost for the county as shown in the actuarial tables.

Clerical assistants shall multiply the premium rates per acre for each key farm and each historical farm as shown in column 25 of the listing sheet for 75 percent insurance, and in column 26 for 50 percent insurance, by the most recent wheat-acreage allotment for the farm. The result for 75 percent insurance shall be placed in column 28, and the result for 50 percent insurance shall be placed in column 29. On the Appraised Farm Listing Sheet, clerical assistants shall multiply the county committee appraised premium rates as shown in Column 13 for 75 percent insurance, and as shown in column 17 for 50 percent insurance, by the most recent wheat acreage allotment for the farm, and place the products in columns 30 and 31, respectively.

Totals shall be obtained of the columns showing such products for each of the three types of listing sheets, and a grand total for the county shall be determined.

The grand totals of the products of premium rates and wheat-acreage allotments shall be divided by the grand total of wheat-acreage allotments. The result should be carried to four decimal places and rounded to three places. This division will give a county average of the tentative premium rates as shown on the listing sheets.

If the county average of the tentative premium rates differs from the check premium rate by 0.06 of a bushel, or more, it will be necessary to revise the premium rates for individual farms by applying a factor. If the difference is less than 0.06 of a bushel, it will not be necessary to apply the factor.

The procedure to be used for determining the factor to be applied in revising premium rates is illustrated by examples following this explanation. The check premium rate for the county shall be divided by the county average of the tentative premium rates on the listing sheets. The factor should be carried to four decimal places and rounded to three decimal places. rate in column 13, and the revised rate shall be entered in column 14.

EXAMPLE WHERE TENTATIVE PREMIUM RATES ARE REVISED UPWARD

	Total of the products of premium rates and acreage allotments for individual farms	Total acreage allotments
Key farms-----	10, 000	9, 000
Historical farms-----	15, 000	10, 000
Appraised farms-----	20, 000	21, 000
	<hr/>	<hr/>
Totals-----	45, 000(A)	40, 000(B)
	<hr/>	<hr/>

County average tentative premium rate on listing sheets= $\frac{A}{B}$ =1.125 (round to 3 decimal places)

Factor to be applied to all premium rates shall be the county check premium rate, which for this illustration is taken as 1.3 bushels, divided by county average tentative premium rate.

$$\frac{1.3}{1.125}=1.155 \text{ (round to 3 decimal places)}$$

EXAMPLE WHERE TENTATIVE PREMIUM RATES ARE REVISED DOWNWARD

Key farms-----	10, 000	8, 000
Historical farms-----	10, 000	7, 000
Appraised farms-----	20, 000	14, 000
	<hr/>	<hr/>
Totals-----	40, 000(A)	29, 000(B)
	<hr/>	<hr/>

County average tentative premium rate on listing sheets= $\frac{A}{B}$ =1.379 (round to 3 decimal places).

Factor to be applied to all premium rates shall be the county check premium rate, which for this illustration is taken as 1.3 bushels, divided by county average tentative premium rate.

$$\frac{1.3}{1.379}=0.943 \text{ (round to 3 decimal places)}$$

After the factor for revising premium rates for 75 percent insurance has been determined, it shall be applied to the premium rate per acre in column 25 of the Key Farm Listing Sheet and the Historical Farm Listing Sheet and the revised figure obtained by factoring shall be entered in column 31. The column shall be headed "County Committee Revised Rate (75 percent)."

On the Appraised Farm Listing Sheet, that factor shall be applied to the appraised premium

After the factor for revising premium rates for 50 percent insurance has been determined, it shall be applied to the premium rate per acre, shown in column 26 of the Key Farm Listing Sheets and the Historical Farm Listing Sheets, and the revised figure obtained by factoring shall be entered in the margin of the sheet at the right of column 31. The column shall be headed "County Committee Revised Rate (50 percent)."

On the Appraised Farm Listing Sheet, that factor shall be applied to the appraised premium rates in column 17, and the revised figure obtained by factoring shall be entered in column 18.

SECTION V

Completion of Work in County Office

FORWARDING TO STATE OFFICE

After completion of the factoring on all listing sheets the following papers shall be submitted to the State office for approval by the State committee and the Federal Crop Insurance Corporation:

Appraised Farm Listing Sheet.

Historical Farm Listing Sheet (resubmitted).

Key Farm Listing Sheet (resubmitted).

County map.

Dot chart for key farms.

Dot chart for appraised farms.

Tables showing computation of factors for revision of yields and premium rates.

Notice to Wheat Growers of Yields and Premium Rates.

As soon as the approved copy of the Appraised Farm Listing Sheet has been received in the county office from the State office, the county committee shall mail to each person, who will have an insurable interest in a 1940 wheat crop, a notice similar to the letter shown on page 17, stating the adjusted average yield and premium rate for his farm. This shall be done not only for the farms on the Appraised Farm Listing Sheet, but also for those on the Key Farm Listing Sheet and the Historical Farm Listing Sheet.

If no objection is received within 15 days after notices have been mailed, the county committee shall assume that such yields and rates are satisfactory. If objections are received, the county committee should consider them, and if revisions are warranted, such revisions shall be submitted to the State office for approval.

Revision of Approved Listing Sheets.

In the event that the county committee wishes to make changes on listing sheets that have already been approved by the State office and the Federal Crop Insurance Corporation, a letter should be written outlining the changes that the county committee desires to make on the listing sheets and the reasons therefor. The letter should be prepared in triplicate and all copies signed by a member of the county committee. The original and one copy should be forwarded to the State office.

SUGGESTED LETTER FOR NOTICE OF ADJUSTED AVERAGE YIELD
AND PREMIUM RATES

Date _____

(Name of person)

Last year, if you desired to have insurance on your wheat crop, it was necessary for you to wait several weeks after making application before you were advised definitely of the amount of insurance you could obtain and of the premium rate of your insurance.

For the crop to be harvested in 1940, your committeemen have done considerable work in order that the Federal Crop Insurance Corporation would be in a position to offer you, early in the season, a definite basis for writing insurance. The yield and premium rate established for your farm have been approved by the Federal Crop Insurance Corporation.

Listed below are three figures which are applicable to the farm described as:

- 1. Adjusted average yield _____ bushels.
- 2. Premium rate per acre (75 percent coverage) _____ bushels.
- 3. Premium rate per acre (50 percent coverage) _____ bushels.

The figure on line 1 is the yield for your farm, and your coverage may be either 75 percent or 50 percent of this yield, at your option. If you choose the 75 percent coverage, then the figure entered in line 2 is the rate per acre, and your total premium would be your seeded acreage times this rate per acre. If you choose the 50 percent coverage, then your total premium would be calculated by multiplying the figure in line 3 by the number of acres seeded.

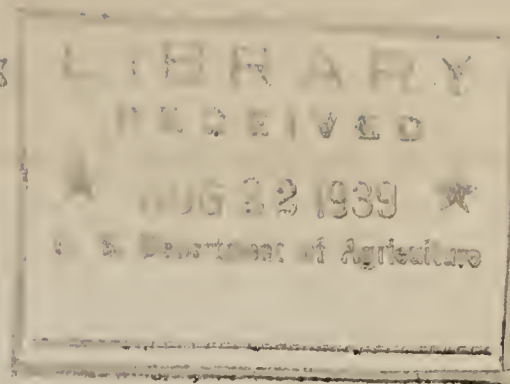
If you have any questions regarding this notification, see your committeeman or visit the county office, and your questions will be gladly answered.

Sincerely yours,

_____,
County Committeeman.

(This letter should be adapted to meet local conditions)

County Application Procedure
Wheat Crop Insurance



SECTION I - GENERAL

The State agricultural conservation committees under the direction of their respective divisional directors shall arrange to hold district, county, and community meetings in connection with the preparation and taking of applications for the 1940 wheat crop insurance program. These meetings shall be so scheduled that sufficient time will be available for all wheat growers in the county to become acquainted with the wheat crop insurance program and present their applications for crop insurance prior to the seeding of their wheat. If possible, the agricultural conservation committees should hold these meetings at a time when other phases of the wheat program can be discussed in order to contact the greatest number of farmers and present the crop insurance program with and as a part of the general farm program being administered by the United States Department of Agriculture.

A member of the county committee, and others of the county office personnel working with the crop insurance program, shall attend each of these meetings. They should be thoroughly familiar with the crop insurance program and be prepared to answer any questions that the applicants might ask regarding crop insurance or the general farm program.

If it is deemed desirable in connection with the writing of applications, the county committee may prepare community lists showing the crop insurance listing sheet farm number, the Agricultural Conservation Program identifying name, the approved crop insurance yield and premium rate for the farm, the 1940 wheat acreage allotment, and any other information deemed necessary to properly identify the farm when preparing the application.

The Branch Office will supply each county office with a list of the 1939 crop insurance applicants having deposits to their credit with the Federal Crop Insurance Corporation showing deposit in bushels to be applied toward payment of the 1940 wheat crop insurance premium. Upon receipt of this list in the county office, the county committee should notify each person whose name appears on the list of the amount of deposit to his credit with the Federal Crop Insurance Corporation. Copies of this list may be prepared in the county office for use at community sign-up meetings or for the use of crop insurance representatives when writing applications for insurance so that proper credit for such deposit may be given the applicant when preparing the application for insurance on the 1940 wheat crop.

The premium shall be collected at the time the application is signed.

Applications shall not be accepted by the county committee after the closing date set by the Corporation for acceptance of applications in

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the county, or after the applicant has started to seed the 1940 wheat crop, whichever date has occurred first.

The county committee may recommend the rejection by the Corporation of any application where it determines that the risks to be incurred under the insurance contract applied for warrants such action.

SECTION II - PREPARATION OF APPLICATION

The yellow copy of the application shall be returned to the applicant; the green copy, together with the white copy, shall be forwarded to the State office; and the salmon copy shall be filed in the county office.

The line provided for the entry for the State and county code and application number in the upper right hand corner shall be left blank at this time.

Enter the crop insurance listing sheet farm number in the space provided thereon as shown in Column 1 of the crop insurance listing sheet.

Enter the 1940 Agricultural Conservation Program farm number. This number may or may not be the number shown in Column 2 of the farm listing sheet. If the 1940 Agricultural Conservation Program farm number is not available, the space shall be left blank at this time.

Paragraph 1.

In the space immediately below paragraph 1 enter the 1940 wheat acreage allotment or permitted acreage for the farm.

Paragraph 2.

Under the columns headed A, B, C, D, E, F, G, H, I, the following entries shall be made:

Column A

If the special practice yield and rate procedure has not been followed in the county, Column A shall be left blank. In counties where special practice procedure has been used, all the practices to be followed on the farm shall be listed in Column A. If, in such counties, separate yields and premium rates for special practices have not been established for certain farms, the word "general" should be written in Column A. However, if separate yields and premium rates have been established for special practices on the farm, then the application shall be prepared on the basis of such special practices.

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Column B. - Adjusted average yield for farm.

Enter in this column the adjusted average yield for the farm as shown on the Approved Farm Listing Sheet. This shall be the yield as finally approved by the Corporation.

For those farms following special practices, the adjusted average yield for special practice or practices being followed on the farm shall be entered on the application in Column B opposite the special practice or practices as indicated in Column A. This shall be the yield as finally approved by the Corporation.

Column C. - Percent Insurance.

Enter in this column 75 percent or 50 percent indicating the percent insurance requested by the applicant. (For those farms on which special practices are being followed, percent insurance requested shall be the same for each practice.) Application may be made for either 75 or 50 percent insurance. Although 75 percent insurance is applied for, the county committee may recommend that the insured percentage of the adjusted average yield be limited to 50 percent where it determines that the risks to be incurred under the insurance contract warrants such action.

Column D. - Number of Acres to be Seeded for Harvest as Grain.

Enter in this column the number of acres the applicant intends to seed to wheat for harvest as grain. In the event the applicant intends to seed approximately the number of acres equal to his acreage allotment, or permitted acreage, then the acreage allotment or permitted acreage should be entered in Column D. (This will eliminate small under payments and the necessity of requesting additional payments upon final determination of the acreage.) For those farms following a special practice or special practices, enter the number of acres to be seeded under each special practice opposite the special practice as listed in Column A. The total of the figures appearing in Column D should be entered in the blank line at the bottom of this column.)

Column E. - Number of Acres Used for Computation of Premium

The entry in this column shall be the 1940 wheat acreage allotment or the permitted acreage under the Agricultural Conservation Program as shown immediately below Paragraph 1 of the application, or the acreage to be seeded to wheat as indicated in Column D, whichever is smaller. (In counties in which special practices are followed, the entries in Column E shall be the same as the entries in

Column D, provided that the sum of the entries in Column D are equal to or less than the 1940 acreage allotment or the permitted acreage as shown immediately below Paragraph 1 of the application.) In the event that the number of acres indicated in Column D is greater than the 1940 wheat acreage allotment or the permitted acreage, the acreages for each special practice appearing in Column D shall be adjusted proportionately so that the total number of acres appearing in Column E shall be equal to the 1940 wheat acreage allotment or permitted acreage. The acreage as shown in Column E for each of the special practices shall bear the same relationship to the acreage shown in Column D for the special practice that the acreage allotment or permitted acreage bears to the total acres to be seeded for harvest as grain as shown in Column D.

For example, in the case where special practices are followed the adjustment shall be made in the following manner. If the 1940 wheat acreage allotment for the farm is 100 acres, and the applicant has indicated in Columns A and D that he is planting 80 acres to wheat on summer fallow and 30 acres on continuous cropping, the entry in Column E shall be $100/110$ of 80, or 72.7 acres for summer fallow, and the entry in Column E shall be $100/110$ of 30 or 27.3 acres for continuous cropping.

In the event two or more farms which have been separately listed on the crop insurance listing sheet involving only one ownership are combined under one operation in 1940 the allotment for the combined farm shall be the allotment, as determined for the Agricultural Conservation Program for 1940. The yield for the combined farm shall be the weighted average yield and the premium rate shall be the weighted average premium rate.

For example:

A owns two farms, one operated in the past by X having a 100 acre allotment, an adjusted average yield of 15 bushels, and a premium rate of .5 of a bushel, and the other operated by Y, having a 50 acre allotment, an adjusted average yield of 10 bushels per acre, and a premium rate of 1.0 per acre. Both of these farms in 1940 are to be operated by Z. The adjusted average yield for the combined farm is determined by multiplying the wheat acreage allotment for each farm by the adjusted average yield for that farm (100 acres x 15 bushels = 1500 bushels) (50 acres x 10 bushels = 500 bushels). The sum of these products (1500 + 500 = 2000) should be divided by the total of the allotments for the original farms (2000 divided by 150 = 13.3) giving 13.3 bushels which will be the adjusted average yield for the combined farm. In like manner the premium rate for the combined farm will be determined by multiplying the premium rate for each

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farm by the acreage allotment for that farm, adding the products and dividing by the total of the allotments for the original farms. $(100 \times .5) - (50 \times 1.0) = .7$

150

In the case of a farm which is being divided for operation in 1940, the process outlined above will be followed in reverse order; that is, the allotment for the farm owned by "A" will have been divided by the county committee under the Agriculture Conservation Program into two units, and if there are differences in soil type, topography, or risk which would indicate a different yield and rate for the newly created units, they should likewise be determined by the county committee at a figure which would result, when weighted by the allotments for the new units, in a yield and premium rate for the two farms which would be substantially the same as determined for the farm before it was divided. The newly constituted farms (both combined and divided) should then be listed on the supplemental listing sheet.

In case special practices are encountered in either of the above cases, they should be worked out on the basis of the individual farm as indicated in the example given above.

If two or more farms are combined under one operation under the agricultural conservation program but are under different ownerships, it will be necessary for the operator to execute a separate application for each separately owned tract of land. In such cases, it may be that the acreage used for the computation of premium in Column E will be greater than the acreage allotment shown on the application, in which case all of the applications being submitted which the applicant contemplates combining under one farm under the agricultural conservation program should be submitted at the same time with a letter of explanation accompanying each showing the 1940 ACP farm number, the allotment for each of the farms being combined and a table showing that the sum of the acreages in Column E of the various crop insurance applications is not in excess of the total allotment for all of the farms being combined.

In case the acreage of wheat to be seeded for harvest as grain on all farms as shown in Columns D of the various applications is in excess of the total acreage allotment for all such farms, then the acreage to be entered in Column E on each such farm shall be reduced in the same proportion that the total allotment for all such farms bears to the total acreage to be seeded to wheat for harvest as grain on all farms as shown in Columns D of the various applications.

(Column D)

	<u>Acreage Seeded for Harvest as Grain</u>	<u>Acreage Allotment</u>
Farm A	110	100
Farm B	150	100
Farm C	60	100
	<u>320</u>	<u>300</u>

Then the entry in Column E for:

FARM A	will be	$\frac{300}{320}$	of	110	or	103.1
FARM B	" "	$\frac{300}{320}$	of	150	or	140.6
FARM C	" "	$\frac{300}{320}$	of	60	or	56.2

In the event special practices are being followed on any farm, the procedure outlined above shall be followed for each practice.

For example:

(Column D)

	<u>Acreage Seeded for Harvest as Grain</u>	<u>Acreage Allotment</u>
FARM A		
Fallow	80	
Continuous Cropping	30	100
FARM B		
Fallow	100	
Continuous Cropping	50	100
FARM C		
Fallow	40	
Continuous Cropping	20	100

Then the acreage for Column E for:

	<u>Fallow</u>	<u>Continuous Cropping</u>
FARM A will be:	$\frac{300}{320}$ of 80 or 75.0	$\frac{300}{320}$ of 30 or 28.1
FARM B will be:	$\frac{300}{320}$ of 100 or 93.8	$\frac{300}{320}$ of 50 or 46.9
FARM C will be:	$\frac{300}{320}$ of 40 or 37.5	$\frac{300}{320}$ of 20 or 18.8

Column F. - Applicant's Interest in Wheat Crop.

Enter in this column the percentage representing the applicant's share in the 1940 wheat crop. This percentage shall be the applicant's interest in the wheat crop at the time of signing the application. Even though the applicant's interest in the wheat crop may be changed at a later date, the percentage of the interest as indicated on the application cannot be changed after the closing date set for the acceptance of applications in the county office, or beginning of the seeding of the wheat crop, whichever date comes first. Any change in interest in the wheat crop after the date specified above may be adjusted in accordance with the provisions of Section 86 of the Regulations.

In those cases where the applicant's interest in the wheat crop is not the same on all tracts to be planted to wheat on the farm, a separate application shall be prepared for each tract in which there is a different interest in the wheat crop on the farm. This is in accordance with Section 20 of the Regulations.

Column G. - Insured Production.

Enter in this column the product of the adjusted average yield, percent insurance, number of acres used for computation of premium, and the applicant's interest in the wheat crop, (Column BxCxExF). (If more than one farming practice is shown in Column A, compute the insured production for each practice as outlined above. The total of the figures appearing in column G should be entered in the blank line at the bottom of this Column).

Column H. - Premium Rate Per Acre.

Enter in this column the premium rate per acre for the farm as finally approved by the Corporation, and as shown on the Approved Listing Sheet, or the unapproved rate on the Supplemental Listing Sheet, if applicable.

(For those farms following a special practice or practices, the premium rate per acre for the special practice or practices being followed on the farm shall be entered on the application opposite the special practice or practices indicated in Column A.)

Column I. - Premium.

Enter in this column the product of number of acres used for computation of premium, applicant's interest in the wheat crop and the premium rate per acre (Column ExFxH).

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(If more than one farming practice is shown in Column A, compute the premium for each practice as outlined above and enter the total of the figures appearing in this column in the blank line provided at the bottom of the column.) If the premium rate per acre for any special practice on the farm is less than the minimum, (.5 of a bushel for 75% and .3 of a bushel for 50%) compute also what the total premium would be on the basis of the minimum rate for the total acres in Column E. If this figure is larger than the total premium as determined on the basis of the special practice premium rate, or rates, it shall be used. In those cases where the minimum rate for the farm is used, a line shall be drawn through the total premium entered at the foot of the blank line at the bottom of Column I and the premium as computed above shall be entered.

Paragraph 3 - General Description of the Farm.

In the first blank there should be inserted the name by which the farm is locally known.

In the second blank there should be entered the total number of acres in the farm covered by the application.

In the third, fourth, and fifth blanks there should be inserted the distance, direction from and name of the nearest City, Town or Village.

In the sixth blank there should be inserted the name of the road (Federal, State, County, or private) nearest to the farm. In those areas where the legal description is not readily available, it may be desirable to use the spaces provided for the legal description to give a more complete general description so that the farm can be readily located.

Legal Description of the Farm

In the blank spaces provided for this purpose, the legal description of the farm shall be entered. Where the farm contains range land separate from the crop land to be planted to wheat, the legal description of such range land need not be included, provided that the legal description be given of all crop land on the farm. If the legal description readily identifies the farm, only the number of acres need be shown under "General Description."

Paragraph 4 - Local Delivery Point.

Enter the name of the town that serves as local delivery point for the area in which the farm is located. Such delivery point shall be a shipping point shown on the County Freight Rate Schedule which is nearest to the farm.

Paragraph 5 - Description of Class of Wheat.

Enter the class of wheat selected by the applicant as the basis for payment of premium and indemnity under his insurance contract. This class of wheat must be one normally grown in the area and shall be one of the classes shown on the Basic Market Price Card.

Paragraph 6 - Deposit of Excess Payment.

Place a check mark in the appropriate blocks provided to indicate whether any payment made by the applicant in excess of the premium shall be (a) deposited to the credit of the applicant to be applied toward the payment of the premium on any insurance contract issued for the crop year 1941, or (b) refunded. This provision is not applicable in those instances where the applicant requests an advance from the Secretary for the purpose of paying the premium, as all excess premium in those cases is refunded to the Secretary.

Paragraph 10 - Tenure of Land.

Print or type the name and address of the operator and the landlord, if any. Such address shall be complete so that any mail will be received by the persons to whom addressed.

Under the heading "Relationship to Farm" enter on the appropriate spaces opposite the name of the operator and landlord, if any, the relationship of the party to the farm by indicating whether the party is owner, operator, share-landlord, share tenant, cash tenant, fixed-commodity tenant, share-cropper, etc.

Under the heading "Interest In Wheat Crop" enter the interest of each party in the 1940 wheat crop. The applicant's interest shall be the same as shown in Paragraph 2 of Column F of the application. the total interest of all parties shall not exceed 100%.

Paragraph 11 - Signatures.

The applicant shall sign his name in the space provided and indicate the date of signature. If the application is made by several persons jointly, each must sign the application. Where an application is signed by an agent, the name of the principle should be inserted on the line designated for the signature of the applicant and the agents signature must appear below it.

Applications may be executed by a duly authorized officer of a Corporation, farm association or other legal entity or by an agent or by a member of a partnership or by a fiduciary. Such signatures and evidence of authority shall be in accordance with the procedure used by the county agricultural conservation association.

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Paragraph 12 - Certificate of County Committee.

After the application has been carefully reviewed and found to be in order, a member of the county committee shall sign the application in the space provided for this purpose.

Paragraph 13 - Computation of Cash Equivalent of Premium.

In the space provided enter the following:

a. Total premium in bushels as shown in Column I of the application;

b. The bushels of wheat on deposit, if any, to apply as payment on the premium due. Such amount of deposit will have been furnished the county office by the Corporation prior to the signing of applications;

c. Balance of premium due shall be the amount that a. is greater than b. In the event that the figure appearing in b. is greater than the figure appearing in a. enter the word "none" in c.;

d. The basic market, the serial number of the price card, and the basic market price as shown on the latest Basic Market Price Card for the class of wheat shown in Paragraph 5 of the application;

e. The price differential which shall be the transportation charge between the local delivery point specified for the farm and the designated basic market as shown on the county freight rate schedule, wherever in the determination of the Corporation such charges are applicable, plus other usual charges in connection with the handling of grain;

f. The net price per bushel which shall be the difference between the figure entered in d. and the figure entered in e.;

g. Cash equivalent of premium due which shall be the product of the figure appearing in c. and the net price per bushel appearing in f.;

Applications for farms not listed on Approved Listing Sheets.

If applications are received for farms not listed on Approved Key, historical or appraised farm listing sheets, supplemental listing sheets shall be prepared. Such listing sheets shall be plainly marked "supplemental" at the top of the listing sheet. The

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applications shall be fully executed and the premium collected and transmitted immediately to the Branch Office in accordance with this procedure. These listing sheets and applications shall be held in the county office and transmitted at the close of the sign up period or at such a time that 25 or more have been received. The applicant should be advised that such yields and premium rates established for his farm are subject to approval.

These listing sheets shall be prepared in accordance with the procedure outlined for the preparation of historical, appraised and special practice listing sheets in the County Yield and Rate Procedure, Form FCI-1 - Wheat-1940 with the following exception:

If the yield and rate for a farm listed on the supplemental listing sheet is based upon the yield and premium rate for a farm already listed and approved on the key farm listing sheet, the average yield and premium rate used should be the one finally established for such similar farm. Therefore, the factor will not be applied to such yields and premium rates.

In those counties where yields and premium rates have not been established for any of the wheat farms in the county, the county committee should study the County Yield and Rate Procedure, Form FCI-1 - Wheat-1940, and shall follow this procedure in establishing yields and rates where historical data are available. In those cases where historical data are not available, county committees shall appraise yields and rates by comparing the farm for which a yield and rate is to be established to a similar farm for which a yield and rate has been established on the historical basis. In the event no historical data are available in the county, the county committees shall appraise a yield and rate for the farm in terms of a percent of the county yield and rate. In no case shall this appraised yield exceed the Agricultural Conservation Program yield established for the farm.

In such counties Section 4 of the Form FCI-1 shall be disregarded. Since yields and rates have not been established for virtually all the wheat farms in the county, it will not be possible to revise the adjusted average yields and premium rates to meet county check yields and premium rates.

SECTION III - COLLECTION OF PREMIUM AND PREPARATION OF
FORM FCI-15, "RECEIPT."

It shall be the duty of the county committee to collect or receive for transmittal daily to the Corporation all payments of premiums and deposits. The premium shall be collected at the time the application is signed. Premium payment may be made in the form of cash, warehouse receipt, money order, cashier's check, or personal check drawn payable to the Treasurer of the United States.

Warehouse Receipts

When premiums are paid in wheat, such payments shall be made by the delivery of a negotiable warehouse receipt or some other instrument acceptable to the Corporation. Section 33 of the Regulations gives the conditions upon which warehouse receipts may be accepted. If the warehouse receipt has been tendered by the applicant, it should be examined to see that (1) the warehouse receipt is issued to or endorsed to the applicant, (2) the warehouse receipt represents a number of bushels of wheat of the class specified by the applicant and the grade specified by the Corporation for this class for the current year's premium, and (3) that the warehouse receipt is negotiable.

If it is found that the warehouse receipt does not meet the requirements set forth herein, the applicant should be advised in what manner the warehouse receipt does not conform.

If it is determined that the warehouse receipt conforms to the requirements, the endorsement of the warehouse receipt should be made in the following form:

Deliver to the Order of
The Federal Crop Insurance Corp.

and signed thereunder by all persons whose interest is being transferred.

On many forms of warehouse receipts a space is provided for certification by the holder of his ownership of the grain represented thereby and that it is free from liens and encumbrances. On such warehouse receipts each person who endorses to the Corporation must sign such statement.

The county committee should arrange for the sale of all warehouse receipts which have been received in payment of premiums or deposited for the 1941 crop year. Warehouse receipts shall be sold as promptly as possible and the receipts therefrom must immediately be transmitted with other collections to the Branch Office.

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In view of the fact that the county committee will be in a position to know market conditions and prevailing market prices with respect to wheat in the locality, the committee will be charged with the responsibility of obtaining full market prices for wheat represented by such warehouse receipts.

At the time the county committee is to make the sale of the warehouse receipts a person authorized by the county committee should endorse them and sign his name and indicate his title, in the following form:

The Federal Crop Insurance Corporation

By: _____
(Signature)

(Title)

Prepare Form FCI-17, "Certification of Sale of Warehouse Receipts" in quadruplicate listing the name of the State and county, and date of sale, name and address of the warehouse which issued the warehouse receipts, application numbers, the warehouse receipt numbers, date of issue specified on the warehouse receipts, the class and grade of wheat represented for each of the warehouse receipts, and the net bushels and pounds of wheat.

After the sale of the warehouse receipts has been arranged with the warehouse, the information with respect to the number of days storage in excess of the free period for any warehouse receipt, the price per bushel, the amounts, the storage rate where it applies, and less any deductions to be made for storage, shall be entered on all copies of the FCI-17 Form. The name of the market upon which the warehouseman bases his purchase of the grain represented by the warehouse receipts should be entered on the line following the word "Basis." No handling charge should be allowed to warehouseman if sales are made at the warehouseman's current country buying price. Storage, if any, but not to exceed 1/30% per bushel per day, should be deducted from the gross amount of the sale. Where it is the custom of the warehouseman to allow free time, such free time should be allowed to the Corporation.

The certification by the purchaser for the purchase of the warehouse receipts on the date and for the amount as specified should then be made in the spaces provided on the FCI-17 Form.

The county committee should then complete the certification on the FCI-17 Form by filling in the date and the amount of the sale and signing. A copy of this form should be delivered to the warehouse purchasing the warehouse receipts.

The original and one copy of the FCI-17 Form shall be forwarded to the Branch Office with the proceeds and one copy shall be forwarded to the State office and the remaining copy shall be retained in the county office files.

The amounts received from warehouses for the sale of warehouse receipts shall be transmitted with other premium payments following the procedure set forth above.

The Branch Office shall return a receipted copy of FCI-17 Form to the county office.

Cash Items:

Receipts of premiums or the tender of deposits in cash, checks, or money orders shall be accepted in accordance with Section 32 of the Regulations. Checks should be accepted only if the county committee is reasonably certain that they will clear for payment.

All checks and drafts are accepted subject to collection by the Corporation. If for any reason any check or draft tendered in payment of a premium does not clear for payment, the application to which such check or draft relates shall be suspended. No further action with respect to such application will be taken unless payment is received in the form of a money order, and provided that such payment is made prior to the closing date established by the Corporation. The county committee should refuse to accept any such payment tendered after this closing date.

Prepare Form FCI-13-Wheat 1940 "Receipt," in quadruplicate. The original white copy shall be returned to the applicant, the yellow copy shall accompany the premium collections and transmittal sheet to the Branch Office, the green copy shall be forwarded with the application to the State office and the salmon copy shall be filed in the county office. Form FCI-13 is not to be issued in those cases where the premium is being paid by an advance from the Secretary.

In the space provided at the top of this form, enter the State and county code and application number as shown on the application.

On the next two lines provided, print or type the name and complete address of the applicant.

Under the heading "Receipt is hereby acknowledged of:" enter the following:

Part 1. - If the premium due is paid by money order or bank draft, enter in the appropriate spaces the date issued, by whom issued, and the amount for which the instrument was drawn; or

Part 2. - If the premium due is paid in cash, indicate in the spaces provided the amount of cash collected; or

Part 3. - If the premium due is paid by check, enter in the appropriate spaces the date issued, the amount for which the check was drawn, and the name and address of the bank on which the check was drawn; or

Part 4. - If the premium due is paid by a warehouse receipt, enter in the appropriate spaces the date of the receipt, the number of the

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receipt, the name and address of the issuing warehouse, and the net bushels and class and grade of wheat.

In the next two spaces provided enter the number of bushels or dollars representing payment of premium for the crop year 1940 and the number of bushels or dollars representing a deposit for the 1941 crop year.

At the bottom of this form, in the space provided opposite the words, "Wheat Price Card Serial No.," enter the serial number of the Wheat Price Card used in determining the cash equivalent of the premium due.

The person receiving the collection shall sign his name and indicate his title and the date of such collection in the appropriate spaces provided. This date, of course, must be the date on which the applicant signed the application.

In the event the payment is made in the form of a request for an advance from the Secretary of Agriculture, five copies of Form ACP-100 "Request for Agreement and Advance" shall be prepared. The original, second and third copies will be transmitted to the State office. The first carbon will be returned to the applicant and the fourth copy will be filed in the county office.

Cash received in payment of premiums shall be kept segregated and shall not be mingled with other funds of the county Agricultural Conservation Association. Cash collections shall be converted into money orders and the expense in converting shall be paid by the local county Agricultural Conservation Association and the amount charged to the Corporation as an administrative expense under the crop insurance program.

SECTION IV. - PREPARATION OF FORM FCI-15, "TRANSMITTAL SHEET"

Prior to preparing Form FCI-15, "Transmittal Sheets," the State and county code and application number should be entered on the first line provided at the top of the application form. Application numbers are to be assigned consecutively starting with the number one in the order that applications are to be transmitted to the State office except as specified below. A single application number will be given to all applications for the same farm and an identifying letter will indicate whether the applicant is the landlord or the tenant. The letter "L" following the number will indicate the landlord and the letter "T" following the number will indicate the tenant. When the applicant has 100% interest in the crop, no qualifying letter will be added.

Before transmitting applications for which payment has been received in the State office, they shall be divided into two groups, (1) those applications listed on the regular listing sheets and (2) those applications listed on the supplemental listing sheet. The applications listed on the regular listing sheet shall be numbered beginning with the first number following the last number of the application on the previous transmittal, whether regular or supplementary.

Those listed on the supplementary listing sheet shall be numbered beginning with the first number following the last number on the regular transmittal sheet for that day.

Prepare Form FCI-15, "Transmittal Sheet," in quintuplicate, the original white copy to be transmitted with the premium collections and the yellow copy of the premium receipts to the Branch Office.

The green copy, yellow copy, and third copy (salmon) shall be transmitted to the State office. The last copy (salmon) shall be filed in the county office.

In the preparation of Form FCI-15, "Transmittal Sheet," the following entries shall be made as outlined below:

Enter in the spaces provided at the top of this form the applicable State and county code number and the Transmittal Sheet number which should be assigned by the county office. Such number should be assigned consecutively beginning with one.

Column 1 - Application number.

Enter the application number as shown at the top of the application form.

Column 2 - Name of applicant.

Enter the name of the applicant as shown on the application form.

Column 3 - Premium in bushels.

Enter the total premium in bushels as shown in Column 1, on the application form.

Column 4 - Deposit applied.

Enter the bushels of wheat on deposit to be applied for this year's premium as shown in paragraph 13 item 6 of the Application. The number of bushels of wheat the applicant has deposited to his account will be furnished the county office by the Corporation on Form FCI-14, "Deposits Which May Be Applied Toward Payment Of 1940 Wheat Crop Insurance Premium."

Column 5 - Bushels paid.

Enter the net bushels to be paid by the applicant which is obtained by subtracting the figures appearing in paragraph 13, item c of the application. If Form FCI-13, "Receipt" indicates that the applicant has made a deposit for the 1941 crop year, the bushels of wheat representing such deposit shall be entered directly below the figure shown in this column representing the net bushels due for the 1940 premium.

Columns 6, 7, and 8. - Manner of payment.

Enter in the appropriate columns the amount in dollars if paid by an advance by the Secretary or the amount of dollars if paid by cash, or the amount in bushels if paid by a warehouse receipt

Column 9 - For use of State committee.

Since this column is provided for the use of the State Committee no entry shall be made in this column by the county office.

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Totals.

The total of the entries made in each column shall be entered in the space provided at the bottom of this form.

After the above form has been carefully reviewed by a member of the county committee, it should be signed by him in the space provided for this purpose.

A separate transmittal sheet shall be prepared for all applications listed on the Supplementary Listing Sheet. Such transmittal sheet should be plainly marked "supplemental applications."

The following forms should then be transmitted to the State Office:

1. The original white and green copy of Form FCI-12, "Application for Wheat Crop Insurance."
2. The green copy of Form FCI-13, "Receipt."
3. The green copy, yellow copy and third copy (salmon) of Form FCI-15, "Transmittal Sheet."
4. The original and two copies of Form ACP-100, "Requests for Agreement and Advance."

SECTION V. - APPLICATIONS SUSPENDED BY THE STATE OFFICE

All corrections or revisions made by the State Office should be indicated on a salmon copy of FCI-15, "Transmittal Sheet," and this copy shall be returned to the county office in order that the applicant may be advised in those cases where he is effected by the changes. It is further suggested that suspended applications be transmitted to the county office with a corrected copy of the transmittal sheet.

Suspended applications will be accompanied by a memorandum outlining the necessary corrections or revisions that are to be made by the county office. Such corrections or revisions shall be made on the application by lining out the incorrect figure and inserting the corrected figure. The applicant shall initial any significant revision or correction made on the application.

If additional premium is due, it shall be collected as soon as possible. Any refunds will be made after the State Office has forwarded the applications to the Branch Office and the Branch Office has accepted the application. Supplemental Premium Collections shall be listed on Form FCI-15, "Transmittal Sheet," noting on the Transmittal Sheet that they are supplemental collections and indicating the original transmittal sheet number and receipt number. Such transmittal sheets should be plainly marked "Supplemental Collections" at the top of Form FCI-15, "Transmittal Sheet." Such collections shall be forwarded directly to the Branch Office. One copy

of the supplementary transmittal form is to be retained in the county office and two copies are to be forwarded to the State Office, together with the corrected applications.

When suspended applications are being returned by the county office to the State office, they shall be listed on the Transmittal Sheet plainly marked "suspended."

SECTION VI. - NOTIFICATION OF RECEIPT OF PREMIUM COLLECTION

Upon receipt of the original (white) copy of Form FCI-16, "Notification of Receipt of Premium Collection," attach to the county office copy of Form FCI-15, "Transmittal Sheet," which bears the same transmittal sheet number as indicated on this Notification Form. Note the exception(s) listed on this form and make the necessary corrections on all county office forms effected by such changes.

SECTION VII. - NOTICE OF ACCEPTANCE

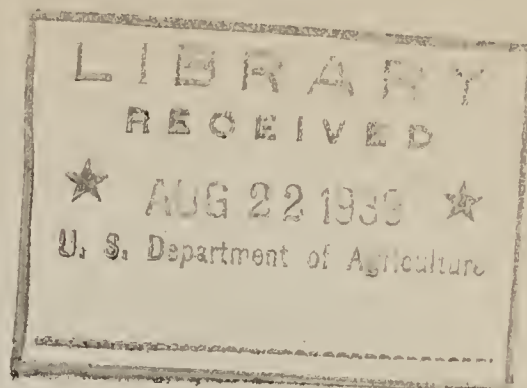
Upon receipt of copy of Form FCI-18, "Notice of Acceptance" attach to a county office copy of Form FCI-12, "Application for Wheat Crop Insurance."

SECTION VIII. - MISCELLANEOUS

In the event that the applicant has a deposit to his account with the Corporation and the delivery point on his 1940 application differs from the shipping point on which his 1939 deposit was computed, the county committee should notify the State office in order that the amount of deposit can be recomputed on the basis of the new delivery point unless no change in freight differential is involved.

1940

Form FCI-11-Wheat 1940



COUNTY APPLICATION PROCEDURE

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WHEAT CROP INSURANCE

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UNITED STATES DEPARTMENT OF AGRICULTURE
FEDERAL CROP INSURANCE CORPORATION
Washington, D. C.



COUNTY APPLICATION PROCEDURE
WHEAT CROP INSURANCE

SECTION I. GENERAL

A. Presentation of the 1940 Wheat Crop Insurance Program.

The State agricultural conservation committees under the direction of their respective divisional directors of the Agricultural Adjustment Administration will arrange to hold meetings in connection with the presentation of the 1940 wheat crop insurance program. These meetings should be so scheduled that sufficient time will be available for all wheat growers in the county to become acquainted with the wheat crop insurance program and to present their applications for crop insurance prior to the time that they begin to seed wheat. If possible, the agricultural conservation committees should hold these meetings at a time when other phases of the wheat program can be discussed in order to present the crop insurance program as a part of the general farm program being administered by the United States Department of Agriculture.

B. Preparation of Community Lists Showing Yield and Premium Rates.

If it is deemed desirable in connection with the writing of applications, the county committee may prepare community lists showing the adjusted average yield and premium rates for the farm as finally approved by the Federal Crop Insurance Corporation, the crop insurance listing sheet farm number, the Agricultural Conservation Program identifying name, the 1940 wheat acreage allotment, and other information necessary to identify the farm.

C. Forms.

The following forms will be used in connection with this procedure:

Form FCI-2, Wheat - 1940, "Crop Insurance Work Sheet," hereinafter referred to as Form FCI-2.

Form FCI-3, Wheat - 1940, "Key Farm Listing Sheet."

Form FCI-3, Wheat - 1940, "Historical Farm Listing Sheet."

Form FCI-4, Wheat - 1940, "Appraised Farm Listing Sheet."

Forms FCI-3 and FCI-4 will hereinafter be referred to as farm listing sheet.

Form FCI-12, Wheat - 1940, "Application for Wheat Crop

Insurance," hereinafter referred to as Form FCI-12.

Form FCI-13, Wheat - 1940, "Receipt," hereinafter referred to as Form FCI-13.

Form FCI-14, Wheat - 1940, "Deposits Which May Be Applied Toward Payment of 1940 Wheat Crop Insurance Premium," hereinafter referred to as Form FCI-14.

Form FCI-15, Wheat - 1940, "Transmittal Sheet," hereinafter referred to as Form FCI-15.

Form FCI-16, Wheat - 1940, "Notification of Receipt of Collections," hereinafter referred to as Form FCI-16.

Form FCI-17, Wheat - 1940, "Certification of Sale of Warehouse Receipts," hereinafter referred to as Form FCI-17.

Form FCI-18, Wheat - 1940, "Notice of Acceptance," hereinafter referred to as Form FCI-18.

Form FCI-19, Wheat - 1940, "Notice of Seeding."

Form FCI-20, Wheat - 1940, "Collateral Assignment."

Form FCI-21, Wheat - 1940, "Transfer of Interest."

D. Application for Insurance.

1. Application for insurance shall be made on Form FCI-12. Any person who has an interest as landlord, owner, tenant, or sharecropper in a wheat crop to be seeded on a farm may apply for insurance to cover his interest in such crop.

2. An application shall cover the applicant's interest in the wheat to be seeded on a farm (except as provided in subsection (3) of this section) if his interest is the same in the wheat to be seeded on all tracts constituting the farm, and if the person or persons other than the applicant having an interest in the wheat to be seeded are the same with respect to all tracts. A separate application shall be submitted:

(a) covering each tract or tracts with respect to which the applicant's interest in the wheat to be seeded differs from his interest in the wheat to be seeded on another tract or tracts within the farm; and

(b) covering each tract with respect to which the person or persons having

an interest in the wheat to be seeded on such tract are different from the person or persons having an interest in the wheat to be seeded on the other tract or tracts within the farm.

3. An application may be submitted covering only spring wheat even though both winter and spring wheat are seeded on the farm, but, as provided in Part VI of FCI-Regulations 1 - Wheat 1940, the total production of wheat for the purpose of determining the amount of loss under the insurance contract shall include the production from both winter and spring wheat.

4. An application must be submitted at the office of the county committee, together with the premium, before the beginning of the seeding of the wheat crop (or the seeding of the spring wheat where an application is submitted, in accordance with the provisions of subsection (3) of this section, covering only spring wheat even though both winter and spring wheat are being seeded on the farm) or the final date established by the Corporation for the submission of applications in the area in which the farm is located, whichever occurs first.

E. Computation of the Cash Equivalent and Collection of Premium.

1. The cash equivalent of the premium shall be computed and the premium shall be collected at the time the applicant signs Form FCI-12.

2. The cash equivalent of any premium or deposit shall be determined by multiplying the number of bushels of wheat of the applicable class and grade constituting the premium or deposit by the price of such wheat at the current basic market designated by the Corporation, less price differentials. The price of such wheat at the current basic market shall be the price, as determined by the Corporation, for the day when the premium is paid or the deposit is made.

The cash equivalent of any additional payment supplementing a premium payment shall be determined by multiplying the number of bushels of wheat of the applicable class and grade constituting such additional payment, by the price of such wheat used for the computation of the original premium payment.

(a) The basic market means the market designated by the Corporation, for the computation of the cash equivalent of premiums, deposits re-

funds, or indemnities, for the area in which the farm is located.

- (b) Price differential means the amount per bushel fixed by the Corporation representing (1) transportation charges between the local delivery point specified for the farm and the designated basic market, wherever, in the determination of the Corporation, such charges are applicable, and (2) \$.04 per bushel for the handling of grain.

3. Premiums shall be payable at the office of the county committee for the county in which the farm is located. Premiums may be paid either in wheat or the cash equivalent thereof, at the option of the insured. Premiums shall be payable at the time the application is taken, and in no event shall a premium (except an additional payment supplementing a premium payment) be paid after the beginning of the seeding of the wheat crop, except as provided in subsection (c) of section 20 of FCI-Regulations 1 - Wheat 1940, or after the date specified by the Corporation as the closing date for the receipt of applications, whichever occurs first.

4. The payment of premiums in the cash equivalent shall be made in cash, check, money order, or bank draft payable to the Treasurer of the United States, or by means of an advance from the Secretary of Agriculture.

5. Any person who submits an application for insurance may tender, at such time, with his premium payment toward the payment of future premiums a deposit of wheat or cash in an amount not in excess of the premium for the crop year during which the deposit is made. A tender of deposit shall be made at the office of the county committee for the county in which the farm is located. The tender of deposits in the cash equivalent shall be made in cash, check, money order or bank draft payable to the Treasurer of the United States.

6. All checks and drafts will be accepted subject to collection and premiums or deposits shall not be regarded as paid unless collection is made.

7. When premiums are paid in wheat, such payments shall be made by the delivery of a negotiable warehouse receipt, or some other instrument acceptable to the Corporation (both hereinafter referred to as "warehouse receipt"), representing the number of bushels of wheat of merchantable quality constituting the

current year's premium and representing wheat of the class specified in the application and the grade specified for such class by the Corporation for the current year's premium. Tender of deposits in wheat shall be made in a similar manner.

F. Disposition of 1939 Crop Year Deposits.

Any amount which is on deposit with the Corporation pursuant to the Regulations Relating to Wheat Crop Insurance, as amended, F.C.I.R.-Series 1, No. 1, as amended, at the election of the depositor (1) shall be applied in payment of the premium for any insurance for which his application is accepted, (2) shall be re-deposited and shall become a deposit subject to the provisions of FCI-Regulations 1-Wheat 1940, or, (3) shall be refunded in accordance with the Regulations Relating to Wheat Crop Insurance, as amended, F.C.I.R.-Series 1, No. 1, as amended.

At the time the depositor makes application for insurance with respect to the 1940 crop he shall specify one or more of the foregoing methods of disposition of his deposit: Provided, however, That any such deposit or any portion thereof which, at the direction of the depositor is not applied in payment of premium or re-deposited will be refunded as soon as practicable by the Corporation in accordance with the Regulations Relating to Wheat Crop Insurance, as amended, F.C.I.R.-Series 1, No. 1, as amended, and Provided, further, That any excess of the amount applied in payment of the premium will become a deposit, or will be refunded at the election of the depositor, in accordance with the provisions of section 40 of FCI-Regulations 1 - Wheat 1940.

The branch office will supply each county office with Form FCI-14, showing the 1939 wheat crop insurance applicants having deposits to their credit with the Federal Crop Insurance Corporation (hereinafter referred to as the Corporation). Upon receipt of this list showing the amount of the deposit in bushels to be applied toward payment of the 1940 wheat crop premium, the county committee should notify each person whose name appears on this list of the amount of deposit to his credit. Copies of this list may be prepared in the county office for use at community sign-up meetings or for crop insurance representatives or community committeemen when applications for insurance are being written, in order that the applicant may apply his 1939 deposit toward payment of his 1940 premium.

The deposit in bushels as shown on Form FCI-14 has been computed on the basis of the class of wheat and the local station for the crop year 1939, shown on Form FCI-10, "Premium Notice." In the event that the applicant is designating on Form FCI-12 as

a basis for the payment of premium and indemnity for the 1940 crop year a class of wheat which differs from the class of wheat specified for 1939 on Form FCI-10, the deposit in bushels must be recomputed. In order to determine the deposit in bushels in terms of the class of wheat specified on Form FCI-12, multiply the deposit in bushels as shown by Form FCI-14 by the current basic market price for the class of wheat specified on Form FCI-10, less price differentials, and divide the result by the current basic market price, less price differentials, for the class of wheat specified on Form FCI-12. The current basic market price shall be the price of wheat at the current basic market on the date of computation of the cash equivalent of the premium for 1940.

In the event that the local station on which the deposit in bushels has been computed differs from the local delivery point specified on Form FCI-12, the State office should be advised in order that the deposit in bushels may be recomputed.

G. Fractional Units in Acres and Yields.

Fractions of yields per acre, loss costs, and premium rates shall be rounded to the nearest tenth of a bushel. Fractions of bushels, other than yields per acre, loss costs and premium rates, shall be rounded to the nearest bushel. Fractions of acres representing total acres of wheat shall be rounded to the nearest tenth of an acre. Fractions representing five one-hundredths or less shall be dropped, and fractions representing more than five one-hundredths shall be considered as a whole tenth.

H. Recommendation for Rejection of an Application by the Corporation.

The county committee may recommend rejection by the Corporation of any Form FCI-12 where it determines that the risks to be incurred warrant such action. In making these recommendations, a memorandum should be prepared outlining all the facts relative to the rejection of the particular Form FCI-12. The original of this memorandum shall be attached to the original of Form FCI-12 and a copy shall be attached to the State office copy of Form FCI-12 when these forms are transmitted to the State office. A copy of this memorandum shall also be attached to the county office copy of Form FCI-12.

I. Acceptance of Applications by the Corporation.

Acceptance of applications shall be made by the issuance to the applicant of a notice of acceptance signed by the Manager

and countersigned by a duly authorized officer or representative of the Corporation. Applications shall not be accepted by the Corporation until the premium has been paid. Applications shall be accepted only with respect to farms upon which soil conservation and other good farming practices are being followed.

SECTION II. PREPARATION OF FORM FCI-12,
WHEAT - 1940, "APPLICATION FOR WHEAT
CROP INSURANCE."

- A. 1. Do not insert the State and county code and application number at the time Form FCI-12 is prepared.

This information will be inserted when Form FCI-15 is prepared in the county office.

2. Enter the crop insurance listing sheet farm number(s) as shown in Column 1 of the applicable crop insurance approved farm listing sheet.
3. Enter the 1940 Agricultural Conservation Program farm number, if available.

Where this number is not available, no entry shall be made in the space provided for the 1940 Agricultural Conservation Program farm number.

- B. 1. Enter in paragraph 1 the 1940 acreage allotment or the 1940 permitted acreage for harvest for the farm.

Enter the words "Not Identical" above the space provided for the 1940 wheat acreage allotment in those cases where the farm for which Form FCI-12 is being prepared is not identical with the farm for which the 1940 wheat acreage allotment was determined.

2. Insert the following information in paragraph 2:

Column A

- (a) Where the yield and rate procedure for special practice(s) has not been followed in the county, no entry shall be made in this column.
- (b) Where yield and rate procedure for special practice(s) has been followed in the county, list all the practices to be followed on the farm. In the event that separate yield and premium rates for special practices have not been established for the farm in a special

practice county, the word "general" should be inserted in this column. Where separate yield and premium rates have been established for special practices on the farm, the application shall be prepared on the basis of such special practice(s).

- (c) In those cases where a farm contains both irrigated and non-irrigated land, the irrigated and non-irrigated portions should be listed separately in Column A, not only if yields and premium rates have been established on separate special practice listing sheets for irrigated and non-irrigated land but also if the irrigated and non-irrigated land are carried as separate farms on the general listing sheets. In no case should two applications be submitted for the same farm; one application showing irrigated land and the other indicating non-irrigated land.
- (d) Where an application is being submitted covering both winter and spring wheat, the winter and spring wheat shall be listed separately in Column A. Where yields and premium rates have not been established on separate special practice listing sheets for winter and spring wheat, the acreages in Columns D and E of Form FCI-12 shall be totaled and the adjusted average yield and premium rate applicable to both winter and spring wheat entered in Columns B and H, respectively, opposite the total acreage.

Column B. Adjusted Average Yield for Farm.

- (a) Enter from the approved farm listing sheet the adjusted average yield for the farm as finally approved by the Corporation. Supplemental listing sheets, listing sheets for combined and subdivided farms, and other similar cases shall be handled in accordance with this procedure.
- (b) For those farms on which special practices are recognized, the adjusted average yield as finally approved by the Corporation for each special practice being followed on the farm shall be entered in Column B opposite the special practice as indicated in Column A.

- (c) If the county committee recommends, pursuant to subsection (c) and (d) of section 51 of FCI-Regulations 1 - Wheat 1940, that the total insured production should be adjusted because the Corporation's risk has been increased for any of the reasons specified in said subsections, the county committee shall enter in Column B in place of the adjusted average yield on the approved farm listing sheet the yield appraised by the committee on the basis of the farming practice being followed for the 1940 crop. In making its appraisal, the county committee shall, insofar as possible, be guided by the adjusted average yields established for farms of a quality similar to the land to be seeded on the farm or farms following a practice similar to the practice to be followed, whichever is applicable. In such cases, Form FCI-12 should be accompanied by a memorandum from the county committee fully setting forth the reason(s) for recommending a yield different from the yield determined for the listing sheet. The original of this memorandum shall be attached to the original of Form FCI-12 and a copy shall be attached to the State office copy of Form FCI-12 when these forms are transmitted to the State office. A copy of this memorandum shall also be attached to the county office copy of Form FCI-12.

Column C. Percent Insurance.

- (a) Enter in this column either 75 percent or 50 percent, indicating the percent insurance requested by the applicant. Although 75 percent insurance is applied for, the county committee should recommend that the insured percentage be limited to 50 percent where it determines that the risks to be incurred warrant such action.

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- (b) For those farms on which special practices are being followed, the percent insurance requested shall be the same for each practice.

Column D. Number of Acres to be Seeded for Harvest as Grain.

- (a) Enter in this column the number of acres the applicant intends to seed to wheat for harvest as grain on this farm. In the event the applicant intends to seed approximately his acreage allotment, or permitted acreage, then the acreage allotment or permitted acreage should be entered in Column D. This will eliminate small under payments and the necessity of obtaining additional payment upon final determination of the acreage.
- (b) For those farms on which special practice(s) are recognized enter the number of acres to be seeded under each special practice opposite the special practice listed in Column A. The total of the figures appearing in Column D should be entered at the bottom of this column. In the event the applicant intends to seed approximately his acreage allotment, or permitted acreage, then the total acres for all practices should equal his acreage allotment, or permitted acreage.

Column E. Number of Acres Used for Computation of Premium.

The entries to be inserted in Column E depend upon the circumstances involved in the particular case. A few of these cases are outlined below:

CASE 1. USUAL CASES

The entry in this column should be the same as in Column D unless the entry in Column D is more than the wheat acreage allotment, or permitted acreage, in which event the entry in Column E should be the acreage allotment, or permitted acreage.

CASE 2. COMBINATION OF TWO OR MORE FARMS LISTED
SEPARATELY ON APPROVED FARM LISTING
SHEETS.

In the event two or more farms which have been listed separately on the crop insurance farm listing sheet involving only one owner are combined under one operation in 1940, the allotment for the combined farm shall be used. The yield for the combined farm shall be the weighted average yield and the premium rate shall be the weighted average premium rate (except where acreage under separate special practices have been carried as separate farms on the general listing sheets).

EXAMPLE. - A owns two farms, one operated in the past by X having a 100-acre wheat acreage allotment, an adjusted average yield of 15 bushels, and a premium rate of .5 of a bushel, and the other operated by Y, having a 50-acre allotment, an adjusted average yield of 10 bushels per acre, and a premium rate of 1.0 bushel per acre. Both of these farms are to be operated in 1940 by Z as a farming unit. The adjusted average yield of 13.3 bushels for the combined farm is determined by multiplying the wheat acreage allotment for each farm by the adjusted average yield for that farm and dividing the sum of these products by the total of the allotments for the original farms. ((100 acres times the adjusted average yield of 15 bushels) plus (50 acres times the adjusted average yield of 10 bushels) equal 2000, which when divided by the total acreage allotment of 150 acres equals the adjusted average yield for the combined farm of 13.3).

In like manner the premium rate for the combined farm will be determined by multiplying the premium rate for each farm by the acreage allotment for the farm,

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adding the products and dividing by the total of the allotments for the original farms. ((100 acres times .5 bushels) plus (50 acres times 1.0 bushels) equal 100, which when divided by 150 acres equals .7, the premium rate per acre).

See memorandum work sheet attached illustrating the method of determining yield and premium rates for combined farms.

WORK SHEET

Memorandum Work Sheet To Be Used in Determining
Yield and Premium Rates For Combined Farms.

	Combined Farm a	Farms To Be Combined b	c
1. Crop Insurance Farm No.			
2. Crop Insurance Application No.			
3. Name of Landlord or Tenant	Z	X	Y
4. Wheat Acreage Allotment	150	100	50
5. Adjusted Average Yield	13.3	15	10
6. Yield Times Acreage	2000	1500	500
7. Premium Rate	.7	.5	1.0
8. Premium Rate Times Acreage	100	— 50	50

To determine the adjusted average yield for the combined farm Z:

(100 acres times the adjusted average yield of 15 bushels) plus (50 acres times the adjusted average yield of 10 bushels) equals 2000. This divided by the total acreage allotment of 150 acres equals the adjusted average yield of 13.3.

To determine the premium rate for farm Z:

(100 acres times .5 bushels) plus (50 acres times 1.0 bushels) equals 100. This divided by 150 acres equals .7, the premium rate per acre.

Illustrating use of work sheet for determining the yield and premium rate for combined farm.

CASE 3. DIVISION OF LISTING SHEET FARMS.

In case a farm listed on the approved listing sheet is being divided in 1940, and the farms resulting from such a division are different in soil type, topography or risk, which would indicate a different yield and premium rate for the newly created units, the county committee should establish an adjusted average yield and premium rate for the new units at a figure which would result when weighted by the acreage allotments for the new units, in an adjusted average yield and premium rate for the two farms which would be substantially the same as determined for the farm before it was divided.

EXAMPLE. - A owns a farm having an allotment of 120 acres, an adjusted average yield of 15.1 bushels, and a premium rate of 1 bushel per acre. In 1940 this farm is divided into two farms, farm X and farm Y. The divided farm X has an allotment of 80 acres, and farm Y has an allotment of 40 acres. It will first be necessary to establish a yield for both farm X and farm Y by comparing with similar farms and taking into account the relative difference in production of the two farms.

In this case the county committee determines that farm X has an adjusted average yield of 18 bushels and farm Y has an adjusted average yield of 9 bushels. The sum of the products of the acreage allotment for farm X and the adjusted average yield for farm X, the acreage allotment for farm Y and the adjusted average yield for farm Y should approximate the product of the adjusted average yield and the acreage allotment for farm A. ((The allotment for farm X of 80 acres times the adjusted average yield of 18 bushels) plus (the allotment of 40 acres for farm Y times the adjusted average yield of 9 bushels) equals 1800 bushels, which result must be

substantially the same as the product of the adjusted average yield and the acreage allotment for farm A).

In a like manner the premium rate for farm X and Farm Y would be established. It would be first necessary to establish a premium rate on farm X and farm Y by comparing with similar farms and taking into account the relative difference in risk between the two farms.

In this case the county committee has determined that the premium rate on farm X should be .6 of a bushel and the premium rate for farm Y should be 1.8 bushels. The sum of the products for the premium rate for farm X and the acreage allotment for farm X and the premium rate for farm Y and the acreage allotment for farm Y should be substantially the same as the product of the premium rate for farm A and the acreage allotment for farm A.

(The allotment for farm X of 80 acres times the premium rate of .6 bushel) plus (the allotment of 40 acres for farm Y times the premium rate of 1.8 bushels) should be substantially the same as (the allotment for farm A of 120 acres times the premium rate of 1.0 bushel for farm A).

See memorandum work sheet attached illustrating the method of determining yield and premium rates for divided farms.

For cases 2 and 3 outlined above the data for the newly constituted farms (both combined and divided) should be entered on listing sheet(s) headed to indicate combined or divided farms. This listing sheet shall be retained in the county office. The county office shall also prepare a memorandum on a form similar to the attached for each farm, whether

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combined or divided, outlining the method of computing yield and premium rates. Copies of this memorandum shall be attached to the State office copy, the branch office copy, and the county office copy of Form FCI-12 and also to the original approved listing sheet on file in the county office.

A notation should be made on the original approved listing sheet indicating that the data for the original farm has been transferred to a combined or divided farm listing sheet.

In case special practices are encountered in either of the above cases, they should be worked out on the basis of the individual farm as indicated in the example.

WORK SHEET

Memorandum Work Sheet to be Used in Determining
Yield and Premium Rates For a
Subdivided Farm.

	Farm To Be Divided a	Farms After Division b c	
1. Crop Insurance Farm No.			
2. Crop Insurance Application No.			
3. Name of Landlord or Tenant	A	X	Y
4. Wheat Acreage Allotment	120	80	40
5. Adjusted Average Yield	15.1	18	9
6. Yield Times Acreage	1812	1440	360
7. Premium Rate	1.0	.6	1.8
8. Premium Rate Times Acreage	120	48	72

To determine the adjusted average yield:

(The allotment for farm X of 80 acres times the adjusted average yield of 18 bushels) plus (the allotment of 40 acres for farm Y times the adjusted average yield of 9 bushels) equals 1800 bushels. This is approximately equal to the figure 1812 shown in 6a.

To determine the premium rate:

(The allotment for farm X of 80 acres times the premium rate of .6 bushels) plus (the allotment of 40 acres for farm Y times the premium rate of 1.8 bushels) equals 120 bushels. This is equal to the figure 120 shown in 8a.

Illustrating use of work sheet for determining the yield and premium rates for subdivided farm.

CASE 4. SPECIAL PRACTICES.

Where Forms FCI-12 are prepared on the basis of special practices, the entries in Column E shall be the same as in Column D, provided that the sum of the entries in Column D are equal to or less than the 1940 acreage allotment or the permitted acreage as shown in Paragraph 1 of Form FCI-12. In the event that the number of acres indicated in Column D is greater than the 1940 wheat acreage allotment or the permitted acreage, the acreages for each special practice appearing in Column D shall be adjusted proportionately so that the total number of acres appearing in Column E shall be equal to the 1940 wheat acreage allotment or permitted acreage. The acreage as shown in Column E for each of the special practices shall bear the same relationship to the acreage shown in Column D for the special practice that the acreage allotment or permitted acreage bears to the total acres to be seeded for harvest as grain as shown in Column D.

EXAMPLE. - The 1940 wheat acreage allotment for the farm is 100 acres, and the applicant has indicated in Columns A and D that he is planting 80 acres to wheat on summer fallow and 30 acres on continuous cropping. The entry in Column E shall be $100/110$ of 80, or 72.7 for summer fallow, and the entry in Column E shall be $100/110$ of 30 or 27.3 acres for continuous cropping. (Also note example 2 of Case 5.)

CASE 5. TWO OR MORE FARMS OR TRACTS COMBINED
UNDER ONE OPERATION UNDER THE AGRICULTURAL CONSERVATION PROGRAM BUT
UNDER DIFFERENT OWNERSHIPS.

If two or more farms or tracts are combined under one operation under the Agricultural Conservation Program, but are under different ownerships, the operator shall execute a Form FCI-12 for each separately owned tract of land. In such cases the acreage used for the computation of premium in Column E may be greater than the acreage allotment shown in paragraph 1 of Form FCI-12. In these cases, insofar as practical, all Forms FCI-12 covering farms which have been combined as one farm under the Agricultural Conservation Program shall be submitted at the same time with a letter of explanation from the county committee accompanying each Form FCI-12. This letter of explanation should show the Agricultural Conservation Program farm or tract numbers, the allotment for each of the farms or tracts being combined and a table indicating that the acreage in Column E used for the computation of the premium bears the same relation to the acreage to be seeded in Column D on each farm or tract that the total acreage allotment for the combined farms or tracts bears to the total acreage to be seeded on all farms.

In those cases where Forms FCI-12 are being submitted on field-rented tracts, or other tracts, two or more of which make up a farm for the Agricultural Conservation Program, and the acreage allotments have not been established for each of these tracts, it will be necessary to enter the words "Not Identical" in the item in paragraph 1 referring to 1940 acreage allotments. Insofar as possible all the Forms FCI-12 of the landlord, and all Forms FCI-12 of the operators, should be submitted at the same time. In case the total acreage to be seeded to wheat on the various tracts composing the farm is in excess of the farm wheat allotment or permitted acreage,

then the acreage used for the computation of premium for each Form FCI-12 as shown in Column E shall be the same proportion of the acreage to be seeded on that tract that the farm allotment or permitted acreage is of the total acreage to be seeded on the farm. A table showing the farm allotment; the acreage to be seeded on each tract, and the acreage to be used in the computation of premiums for each tract should be submitted with each Form FCI-12. (See Example attached.)

EXAMPLE - 1.

	<u>Number of Acres To Be Seeded for Harvest as Grain</u>	<u>Acreage Allotment</u>
Farm A	110	100
Farm B	150	100
Farm C	60	100
	<u>320</u>	<u>300</u>

Then the entry in Column E for:

Farm A will be $\frac{300}{320}$ of 110 or 103.1

Farm B will be $\frac{300}{320}$ of 150 or 140.6

Farm C will be $\frac{300}{320}$ of 60 or 56.2

EXAMPLE - 2.

The following example illustrates this procedure in the event special practices are being used on any farm.

	<u>Number of Acres To Be Seeded for Harvest as Grain</u>	<u>Acreage Allotment</u>
Farm A		
Fallow	80	
Continuous Cropping	30	100
Farm B		
Fallow	100	
Continuous Cropping	50	100
Farm C		
Fallow	40	
Continuous Cropping	20	100
Totals	<u>320</u>	<u>300</u>

Then the acreage for Column E for:

	<u>Fallow</u>	<u>Continuous Cropping</u>
Farm A will be:	$\frac{300}{320}$ of 80 or 75.0	$\frac{300}{320}$ of 30 or 28.1
Farm B will be:	$\frac{300}{320}$ of 100 or 93.8	$\frac{300}{320}$ of 50 or 46.9
Farm C will be:	$\frac{300}{320}$ of 40 or 37.5	$\frac{300}{320}$ of 20 or 18.8

Column F. Applicant's Interest in Wheat Crop.

Enter in this column the percentage representing the applicant's share in the 1940 wheat crop, at the time of signing the application. Even though the applicant's interest in the wheat crop may be changed at a later date, the percentage of the interest as indicated on Form FCI-12 cannot be changed after the closing date set for the acceptance of Form FCI-12 in the county office, or the beginning of the seeding of the wheat crop, whichever date occurs first. Any change in interest in the wheat crop after the date specified above may be adjusted in accordance with the provisions of section 86 of FCI-Regulations 1, Wheat - 1940.

In those cases where the applicant's interest in the wheat crop is not the same on all tracts to be planted to wheat on the farm, in accordance with section 20 of FCI-Regulations 1, Wheat - 1940, a separate Form FCI-12 shall be prepared for each tract in which there is a different interest. Each Form FCI-12 shall be accompanied by a memorandum stating all the facts and the words "Not Identical" shall be inserted on Form FCI-12 above the space provided for the 1940 wheat acreage allotment.

In the event that the farm has been divided, separate yields and rates shall be determined in accordance with the procedure outlined for Case 3.

In the event that the county committee wishes to recommend rejection by the Corporation, Paragraph H of Section I - General of this procedure shall be followed.

Column G. Insured Production.

Enter in this column the product of the adjusted average yield, percent insurance, number of acres used for computation of premium, and the applicant's interest in the wheat crop, (Columns BxCxExF).

If more than one farming practice is shown in Column A, compute the insured production for each practice as outlined above. The total of the figures appearing in Column G should be entered at the bottom of this column.

Column H. Premium Rate Per Acre.

Enter in this column the premium rate per acre for the farm as finally approved by the Corporation, and as shown on the approved listing sheet, or the unapproved rate on the supplemental listing sheet, if applicable.

If the premium rate per acre is less than the minimum, .5 of a bushel for 75 percent insurance and .3 of a bushel for 50 percent insurance, the minimum rate shall be inserted in Column H except in the case of special practice(s).

In the case of applications filed on the basis of special practices, if the premium rate for any special practice is less than the minimum it shall nevertheless be entered in Column H. The application of the minimum is covered under Column I.

Column I. Premium.

Enter in this column the product of the number of acres used for computation of premium, applicant's interest in the wheat crop, and the premium rate per acre (Columns E \times F \times H).

If more than one farming practice is shown in Column A, compute the premium for each practice as outlined above and enter the total of the figures appearing in this column.

If the premium rate per acre for any special practice on the farm is less than the minimum, (.5 of a bushel for 75 percent and .3 of a bushel for 50 percent) compute also what the total premium would be on the basis of the minimum rate for the total acres in Column E. If this

figure is larger than the total premium as determined on the basis of the special practice premium rate, or rates, it shall be used. In those cases where the minimum rate for the farm is used, a line shall be drawn through the total premium entered at the bottom of Column I and the premium as computed above shall be entered.

Paragraph 3 - Description of Farm.

1. Enter the total number of acres in the farm covered by the application.
2. Enter the legal description.
 - (a) Where the farm can be readily identified by the legal description, the general description need not be inserted.
 - (b) Where the farm contains range land separate from the crop land to be planted to wheat, the legal description of such range land need not be included, provided that the legal description be given of all crop land on the farm.
 - (c) In those areas where the legal description is not readily available, it may be desirable to use the spaces provided for the legal description to give a more complete general description so that the farm can be readily located.
3. Enter the general description by inserting the name by which the farm is locally known, if any; the distance, direction from and name of the nearest city, town, or village, and the name of the road (Federal, State, county, or private) nearest to the farm.

Paragraph 4 - Local Delivery Point.

Enter the name of the local delivery point for the area in which the farm is located.

This shall be the accessible delivery point nearest to the farm as shown on the freight rate schedule furnished by the Corporation.

Paragraph 5 - Designation of Class of Wheat.

Enter the class of wheat selected by the applicant as the basis for payment of premium and indemnity.

This class of wheat must be one normally grown in the area and shall be one of the classes shown on the Wheat Price Card.

Computations of cash equivalents will be based upon the same classes and grades of wheat as were used for the 1939 program. These classes of wheat and the applicable grades, which will be used in the computation of premiums, are as follows:

<u>Class</u>	<u>Basic Grade</u>
Red Winter	No. 2
Hard Winter	No. 2
Soft White	No. 2
Hard White	No. 2
Dark Northern Spring	No. 1
Northern Spring	No. 1
Western White	No. 2
Hard Amber Durum	No. 2
Hard Winter (Montana, Idaho, and Utah)	No. 2
Western Red	No. 2

Paragraph 6 - Deposit of Excess Payment.

Indicate by check mark whether payment in excess of the premium shall be (a) deposited to the credit of the applicant to be applied toward the payment of the premium on any application which is accepted by the Corporation, or (b) refunded.

Paragraph 10 - Tenure of Land.

(a) Print or type the name of the operator and landlord, if any, in the manner that he usually affixes his signature.

(b) Print or type the complete address in order that all mail forwarded to such address will be delivered promptly.

(c) Under the heading "Relationship to Farm" opposite the name of the operator and landlord, if any, indicate whether the party is owner-operator, landlord, cash tenant, fixed commodity-rent tenant, share tenant, or tenant on combined share and cash or fixed commodity-rent basis.

(d) Under the heading "Interest in Wheat Crop" enter the interest of each party in the 1940 wheat crop.

The applicant's interest shall be the same as shown in Column F, Paragraph 2 of Form FCI-12 and the total interest of all parties shall not exceed 100%.

Paragraph 11 - Signatures

The applicant shall sign his name in the same manner as the printed or typed name in Paragraph 10 and shall indicate the date of the signing. The basic market price for the day that Form FCI-12 is signed by the applicant shall be used in the computation of the cash equivalent of the premium.

All signatures and evidence of authority relative thereto shall be in accordance with the procedure of the county agricultural conservation association as outlined in Form ACP-16, "Instructions on Signatures and Authorizations."

In those cases where the county committee is not absolutely certain that the person signing the application has authority to act, it is suggested that evidence of authority be obtained and filed in the county office.

Paragraph 12 - Certificate of County Committee

Form FCI-12 shall be carefully reviewed by the county committee and if found to be in order, a member of the county committee shall sign the certificate of the county committee.

If subsequent to receipt of the premium collection and the execution of Form FCI-12 by the applicant, the county committee determines that Form FCI-12 should not be approved, the listing on Form FCI-15 shall be made in the regular manner and the premium collection received for the suspended Form FCI-12 shall be transmitted to the branch office.

However, a line shall be drawn through the data for the suspended Form FCI-12 appearing on Form FCI-15. A notation shall be placed on Form FCI-15 under the column headed "For use of State Committee," to the effect that suspension was made by the county committee. These revisions shall be made on all copies of Form FCI-15, except that the original Form FCI-15, which accompanies the premium collections to the branch office, shall not be revised.

In no event shall premium collections be retained in the county office pending correction of application or for any other reason.

Where an application is being submitted by an absentee owner or landlord the county committee shall compute the cash equivalent of the premium using the current basic market price for the day that the application

is signed by such owner or landlord. The absentee owner or landlord shall be notified that the amount of the cash equivalent of his premium must be paid within two weeks of the date of such notification. In no event shall the premium be paid after the beginning of the seeding of the wheat crop or after the date specified by the Corporation as the closing date for the receipt of applications whichever occurs first. Forms FCI-12 executed by absentee owners or landlords shall not be listed on Form FCI-15 nor certified by the county committee until the premium payment has been received.

In the event the county committee recommends that Form FCI-12 should be rejected, a memorandum shall be prepared outlining all the reasons why Form FCI-12 should be rejected. It is suggested that all Forms FCI-12 which are being recommended

for rejection be carefully reviewed prior to forwarding to the State office. Form FCI-12 should not be marked in any manner indicating that it is being recommended for rejection except that the certificate of the county committee shall not be signed since final rejection can only be made by the branch office of the Corporation. The original of the memorandum recommending rejection shall be attached to the original of Form FCI-12, a copy attached to the copy sent to the State office, and a copy attached to the county committee copy of Form FCI-12.

Where premiums have been collected but the county committee is recommending rejection, the premiums shall be transmitted to the branch office accompanied by the original of Form FCI-15 and the branch office copy of Form FCI-13.

Paragraph 13 - Computation of Cash Equivalent of Premium.

- a. Enter the total premium in bushels as shown in Column I of Form FCI-12, showing the 1939 application number for each deposit being applied toward payment of premium.
- b. Enter the bushels of wheat on deposit, if any, from Form FCI-14.

If the class of wheat designated on Form FCI-12 differs from that shown on Form FCI-10, "Premium Notice," for the 1939 crop year, the deposit shall be recomputed by multiplying the deposit in bushels by the current basic market price, less price differentials, for the class of wheat specified on Form FCI-10 and dividing the result by the current basic market price, less price differentials, for the class of wheat specified on Form FCI-12. Price differentials include the transportation rate from the local delivery point to the basic market plus handling charge of \$.04 per bushel.

Price differential is the amount per bushel representing transportation charges between the local delivery point specified for the farm and the designated basic market plus \$.04 per bushel for the handling of grain.

EXAMPLE

A owns and operates a farm in Jersey County, Illinois and has on deposit with the Corporation 90 bushels of wheat as shown on Form FCI-14. This deposit was computed by using #2 Red Winter Wheat for the county according to Form FCI-10. Form FCI-12 for A shows that he wishes to pay his premium in #2 Soft White Wheat. The transportation rate from Grafton, Illinois, the local delivery point for A, to the basic market in Chicago is \$.09 and the handling charge is \$.04. The most recent Wheat Price Card shows the price at the Chicago Market for #2 Red Winter Wheat is \$.90 $\frac{1}{2}$ and for #2 Soft White Wheat is

$\$.80\frac{1}{2}$. The deposit for A in #2 Soft White Wheat would be arrived at by multiplying his deposit of 90 bushels by the current basic market price ($\$.90\frac{1}{2}$) less price differentials (\$.09 plus \$.04) for #2 Red Winter Wheat and dividing the result (90 times $77\frac{1}{2}$ equals \$69.75) by the current basic market price ($\$.80\frac{1}{2}$) less price differentials, (\$.09 plus \$.04) for #2 Soft White Wheat.

\$69.75 divided by $67\frac{1}{2}$ equals 103.33 bushels, or 103 bushels, 20 pounds.

The deposit shall be shown in bushels and pounds. Each application on which the deposit has been recomputed should be accompanied by a work sheet similar to the attached showing the data used in determining the recomputed deposit. The original of this work sheet should be attached to the original of Form FCI-12 and a copy attached to the State office copy of Form FCI-12, when Form FCI-12 is forwarded to the State office. A copy shall also be attached to the county office copy of Form FCI-12.

In the event that the local station on which the deposit in bushels has been computed differs from the local delivery point specified on Form FCI-12, the State office should be advised in order that the deposit in bushels may be recomputed.

- c. Enter the balance of the premium due by deducting the bushels of wheat representing the 1939 deposit shown in Item (b) from the total premium in bushels shown in Item (a).
 1. In the event the bushels on deposit equal or exceed the total premium in bushels, enter the word "none" in Item (c).
 2. Where the 1939 deposit in Item (b) exceeds the total premium in Item (a), a memorandum signed by the applicant shall be attached to each copy of Form FCI-12 indicating the disposition of that portion of the 1939 deposit which has not been applied toward payment of premium. In this memorandum the depositor shall elect (a) to apply the remaining deposit toward payment of premium due under any other Form FCI-12, (b) to redeposit his 1939 deposit in an amount not to exceed the premium for the crop year 1940, or (c) to have the excess deposit refunded. In the event this memorandum is not submitted by the applicant, the excess deposit will be refunded as soon as practicable by the Corporation. Also, in those cases where the amount of the 1939 deposit to be redeposited exceeds the premium for the crop year 1940, this excess will be refunded by the Corporation.
 3. All refund of 1939 deposits will be made upon the basis of the price of wheat for the day when payment of the refund is approved by the Corporation.
 4. The balance of the premium due shown in Item (c) shall be rounded to whole bushels.

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State and county code and application number

WORK SHEET FOR RECOMPUTATION OF DEPOSIT

Name of applicant A

Address of applicant Grafton, Illinois

1. Amount of deposit 90
(Per FCI-14) Bushels Pounds

2. Basic Market Chicago, Illinois

	(a)	(b)
3. Class of wheat	<u>#2 Red Winter Wheat</u>	<u>#2 Soft White Wheat</u>

4. Basic market price	<u>\$.90$\frac{1}{2}$</u>	<u>\$.80$\frac{1}{2}$</u>
Wheat price card		
serial No. <u>6</u>		

5. Price differential		
Transportation		
rate from local		
delivery point		
to basic market <u>\$.09</u>		
Handling charge <u>.04</u>	<u>\$.13</u>	<u>\$.13</u>

6. Net price		
(Item 4 less Item 5)	<u>\$.77$\frac{1}{2}$</u>	<u>\$.67$\frac{1}{2}$</u>

7. Present value of	
deposit at local	
station in class of	
wheat shown on Form	
FCI-10	
(Item 1 x 6 (a))	<u>\$69.75</u>

8. Recomputed deposit	
(Item 7 divided by	
6 (b))	
	103.33 Bushels
	or
	103 Bushels,
	20 Pounds

Where the applicant wishes to tender a deposit for payment of future premiums, the amount of this deposit in bushels may be added to the figure appearing in Column c. Deposits will be accepted only at the time of the payment of the initial premium. Such deposits must not exceed the 1940 premium as shown in Column a of Paragraph 13. Any refund of such deposits will be made on the basis of the price of wheat on the day when the deposit was made.

- d. Enter the name of the basic market, the wheat price card serial number and the basic market price for the class of wheat shown in Paragraph 5 of Form FCI-12. The current basic market price for the date that Form FCI-12 is signed by the applicant shall be used as the applicable date for the computation of the cash equivalent of the premium.
- e. Enter the price differential.

Price differential is the amount per bushel representing transportation charges between the local delivery point specified for the farm and the designated basic market plus \$.04 per bushel for the handling of grain.

- f. Determine the net price per bushel by deducting the price differential from the basic market price.
- g. Compute the cash equivalent of the premium due by multiplying the balance of the premium due by the net price per bushel.

Application for farms not listed on Approved Listing Sheets.

If Forms FCI-12 are received for farms not listed on approved key, historical, or appraised farm listing sheets, supplemental listing sheets shall be prepared. Such listing sheets shall be plainly marked "supplemental" at the top of the listing sheet. The Form FCI-12 shall be fully executed and the premium collected and transmitted immediately to the branch office in accordance with this procedure. These listing sheets and Forms FCI-12 shall be retained in the county office and transmitted at the close of the sign-up period or at such time that 25 or more Forms FCI-12 have been received. The applicant should be advised that such yields and premium rates established for his farm are subject to approval.

These listing sheets shall be prepared in accordance with the procedure outlined for the preparation of historical, appraised and special practice listing sheets in the County Yield and Rate Procedure, Form FCI-1 - Wheat 1940, with the following exception:

1. If the yield and premium rate for a farm listed on the supplemental listing sheet are based on the yield and premium rate for a farm already listed and approved on the key farm listing sheet, the revision factor will not be applied to such yield and premium rate. An explanation will be needed if the appraised yield or premium rate is more than ten percent greater or less than that for the similar key farm. An explanation will also be needed if the deviations of the yield and premium rates from the key farm are in opposite directions.
2. In those counties where yield and premium rates have not been established for any of the wheat farms in the county, the county committee should study the County Yield and Rate Procedure, Form FCI-1 - Wheat 1940, and shall follow this procedure in establishing yield and rates where historical data are available. Forms FCI-2 shall be prepared for each of these cases and the listings shall be made on a Key Farm Listing Sheet.
 - (a) In those cases where historical data are not available, county committees shall appraise yields and rates by comparing the farm for which a yield and rate is to be established with a similar farm for which a yield and rate has been established on the historical basis. In the event no historical data are available in the county, the county committee shall appraise a yield and rate for the farm. In no case shall this appraised yield exceed the Agricultural Conservation Program Yield established for the farm. In these cases the listings shall be made on an Appraised Farm Listing Sheet, and a memorandum should be prepared outlining all the facts relative to the establishment of the yield and premium rate for the farm. The original of this memorandum shall be attached to the original of Form FCI-12 and a copy shall be attached to the State office copy of Form FCI-12 when these forms are transmitted to the State office. A copy of this memorandum shall also be attached to the county office copy of Form FCI-12.
 - (b) It will not be possible to revise the adjusted average yield and the premium rates to meet county check yield and premium rates, as yield and rates have not been established for virtually all the wheat farms in the county.

SECTION III - COLLECTION OF PREMIUM AND PREPARATION OF
FORM FCI-13, "RECEIPT"

- A. Premiums shall be collected at the office of the county committee of the county in which the farm is located and shall be payable at the time the application is taken. Payment of the premium shall be made in cash, check, money order, or bank draft payable to the Treasurer of the United States, by warehouse receipt, or by means of an advance from the Secretary of Agriculture.

The county committee shall transmit all premiums and deposits paid in cash, check, money order, or bank drafts to the Corporation each day. All checks and drafts shall not be regarded as paid unless collection is made.

1. Premium Paid by Warehouse Receipts.

When premiums are paid in wheat, such payments shall be made by the delivery of a negotiable warehouse receipt or some other instrument acceptable to the Corporation. Section 3 of FCI-Regulations 1 - Wheat 1940 gives the conditions upon which warehouse receipts may be accepted. If the warehouse receipt has been tendered by the applicant, it should be examined to see that (1) the warehouse receipt is issued to or endorsed to the applicant, (2) the warehouse receipt represents a number of bushels of wheat of the class specified by the applicant and the grade specified by the Corporation for this class for the current year's premium and (3) that the warehouse receipt is negotiable.

If it is found that the warehouse receipt does not meet the requirements set forth herein, the applicant should be advised in what manner the warehouse receipt does not conform.

If it is determined that the warehouse receipt conforms to the requirements, the endorsement of the warehouse receipt should be made in the following form:

Deliver to the Order of
The Federal Crop Insurance Corp.

and signed thereunder by all persons whose interest is being transferred.

On many forms of warehouse receipts a space is provided for certification by the holder of his ownership of the grain represented thereby and that it is free from liens and encumbrances. On such warehouse receipts each person who endorses to the Corporation must sign such statement.

2. Sale of Warehouse Receipts

The county committee should arrange for the sale of all warehouse receipts which have been received in payment of premiums or deposited for the 1941 crop year. Warehouse receipts shall be sold as promptly as possible and the receipts therefrom must immediately be transmitted with other collections to the branch office. However the proceeds from the sale of warehouse receipts should not be listed on Form FCI-15, but Form FCI-17 should be used for this purpose.

In view of the fact that the county committee will be in a position to know market conditions and prevailing market prices with respect to wheat in the locality, the committee will be charged with the responsibility of obtaining full market prices for wheat represented by such warehouse receipts.

At the time of making the sale, the warehouse receipts shall be endorsed either by the chairman of the county committee, the crop insurance supervisor, if any, the secretary of the county committee or the treasurer of the county committee, by signing his name and indicating his title in the following manner:

The Federal Crop Insurance Corporation

By: _____
(Signature)

(Title)

- B. Prepare Form FCI-17 in quadruplicate listing the name of the State and county, and date of sale, name and address of the warehouse which issued the warehouse receipts, application numbers, the warehouse receipt numbers, date

of issue specified on the warehouse receipts, the class and grade of wheat represented for each of the warehouse receipts, and the net bushels and pounds of wheat.

After the sale of the warehouse receipts has been arranged with the warehouse, the information with respect to the number of days storage in excess of the free period for any warehouse receipt, the price per bushel, the amounts, the storage rate where it applies, and less any deductions to be made for storage, shall be entered on all copies of Form FCI-17. The name of the market upon which the warehouseman bases his purchase of the grain represented by the warehouse receipts shall be entered on the line following the word "Basis." No handling charge should be allowed to warehousemen if sales are made at the warehouseman's current country buying price. Storage, if any, but not to exceed 1/30¢ per bushel per day, should be deducted from the gross amount of the sale. Where it is the custom of the warehouseman to allow free time, such free time should be allowed to the Corporation.

The certification by the purchaser for the purchase of the warehouse receipts on the date and for the amount as specified should then be made in the spaces provided on Form FCI-17.

The county committee should then complete the certification on the Form FCI-17 by filling in the date and the amount of the sale and signing.

The original of the Form FCI-17 shall be forwarded to the branch office with the proceeds, a copy transmitted to the State office, a copy retained in the county office, and a copy delivered to the warehouse purchasing the warehouse receipts.

The amounts received from warehouses for the sale of warehouse receipts shall be transmitted with other premium payments following the procedure set forth above.

C. Cash Items:

Receipts of premiums or the tender of deposits in cash, checks, bank drafts or money orders shall be accepted in accordance with Section 32 of FCI-Regulations 1, Wheat - 1940. Personal checks should be accepted only if the county committee is reasonably certain that they will clear for payment.

All checks and drafts shall be accepted subject to collection, and premiums or deposits shall not be regarded as paid unless collection is made. If for any reason any check or draft tendered in payment of a premium does not clear for payment, the application to which such check or draft relates shall be suspended and Form FCI-18 will not be issued. No further action with respect to such application will be taken unless payment is received in the form of a money order, and provided that such payment is made before the seeding of the wheat crop or the final date established by the Corporation for the submission of applications in the area in which the farm is located, whichever occurs first.

D. Preparation of Form FCI-13, Wheat - 1940, "Receipt."

Prepare Form FCI-13 in quadruplicate.

Form FCI-13 is not to be issued in those cases where the premium is being paid by an advance from the Secretary.

1. Enter the State and county code and application number as shown on Form FCI-12.
2. Print or type the name and complete address of the applicant.
3. If the premium is paid by money order, bank draft, cashier's check, or personal check, indicate by check mark the manner of payment; that is, whether by money order, bank draft, cashier's check, personal check, or cash, and the amount received.
4. If the premium was paid by warehouse receipt:
 - (a) Enter the date of the warehouse receipt,
 - (b) The number of the warehouse receipt,
 - (c) Name and address of the issuing warehouse, and
 - (d) The net bushels and the class and grade of wheat.
5. Enter the number of bushels or dollars representing payment of premium for the crop year 1940 and the number of bushels or dollars representing a deposit for payment of future premiums.

6. At the bottom of this form, in the space provided opposite the words, "Wheat Price Card Serial No.," enter the serial number of the Wheat Price Card used in determining the cash equivalent of the premium due.
7. The person receiving the collection shall sign his name and indicate his title and the date of such collection in the appropriate spaces provided. This date of collection, of course, must be the date on which the applicant signs the application.

Cash collections shall be converted into money orders, and the money order fees shall be paid from the funds of the local county agricultural conservation association as an expense of the crop insurance program.

E. Payment Made by Advance From the Secretary.

In the event the payment is made in the form of a request for an advance from the Secretary of Agriculture, five copies of Form ACP-100, Revised, "Request and Agreement For Advance For Payment of Crop Insurance Premium," shall be prepared in accordance with the instructions issued by the Agricultural Adjustment Administration. In order to obtain an advance from the Secretary to pay premium it will be necessary only to execute Form ACP-100, Revised, and the execution of other assignment forms is not required.

The original and two copies shall be transmitted to the State office. One copy shall be returned to the applicant and a copy will be filed in the county office.

SECTION IV. - PREPARATION OF FORM FCI-15 - Wheat 1940,
"TRANSMITTAL SHEET."

- A. Prior to the preparation of Form FCI-15, enter the State and county code and application number on Form FCI-12.

Application numbers shall be assigned consecutively in the order that Forms FCI-12 are listed on Form FCI-15.

One application number will be assigned to all applications for the same farm, and the letter "L" following the application number will indicate the application of a landlord, and the letter "T" will indicate the application of a tenant. In those cases where the applicant has 100 percent interest in the farm, no identifying letter need be added.

- B. Prepare Form FCI-15 in quintuplicate as follows:

1. Enter the applicable State and county code and transmittal sheet number assigned by the county office.

(a) The transmittal sheet number shall be assigned consecutively beginning with No. 1 for the transmittal sheet for each county.

(b) Where Forms FCI-12 have been suspended, either by the county office or the State office and returned to the county office, the corrected or revised Form FCI-12 shall be listed on Form FCI-15 in the regular manner, except that Form FCI-15 shall be headed "Supplemental" and the transmittal number on which the suspended or revised Form FCI-12 was originally listed shall be used.

2. For each Form FCI-12 on which a premium has been collected, either in the form of cash, money order, bank draft, cashier's check, personal check, warehouse receipt, or advance from the Secretary, enter the following information in the respective columns:

Column 1.

The application number as shown at the top of Form FCI-12.

Column 2.

The name of the applicant shown in Paragraph 10 of Form FCI-12. This name must also agree with the signature of the applicant as it appears in Paragraph 11 of Form FCI-12.

This should also agree with the total premium in bushels shown in Paragraph 13, Item a of Form FCI-12.

Column 4.

The deposit in bushels which may be applied toward payment of the 1940 wheat crop insurance premium, as shown in Item b of Paragraph 13 of Form FCI-12.

The deposit in bushels should agree with that shown on Form FCI-14, unless:

- (a) the delivery point on Form FCI-12 differs from the shipping point on which the 1939 deposit in bushels was computed; in which case the county committee should notify the State office in order that the amount of bushels can be recomputed on the basis of the new delivery point. This recomputation will not be necessary if there is no change in freight differential between the delivery point for the 1940 and the shipping point for 1939.
- (b) the class of wheat upon which the deposit was computed differs from that specified on Form FCI-12 by the applicant. In this event, the deposit shall have been recomputed and a memorandum work sheet attached to Form FCI-12 as outlined in this procedure for the entry to be made in column b of Paragraph 13.

Column 5.

The premium due in bushels which has been determined by subtracting the 1939 deposit from the total premium for 1940.

Where Form FCI-13 indicates that the applicant has tendered a deposit for payment of future premiums, the amount of the deposit in bushels shall be entered directly below the balance of the premium due in bushels and a notation shall be inserted indicating the payment of future premiums.

Columns 6, 7, 8.

The cash equivalent of the premium due as shown in Paragraph 13, Item g of Form FCI-12, if paid by an advance from the Secretary or by cash, money order, check or bank draft.

The amount in bushels if paid by a warehouse receipt or some other instrument acceptable to the Corporation. Care should be taken to indicate the manner of payment in the proper columns.

The column provided for use of the State committee may be used by the county committee in those cases where suspensions have been made in accordance with Paragraph 12 of Section II of this procedure.

The totals shall be inserted on each Form FCI-15 in the spaces provided.

Particular care should be exercised in footing the columns headed "Payment in Bushels," "Advance by Secretary," and "Cash, Money Order, Bank Draft, Check," as this information is being utilized by the State offices and branch offices.

A member of the county committee or other authorized representative shall indicate his approval of Form FCI-15 by signing in the space provided. As the original of Form FCI-15 is being transmitted to the branch office directly, it will not be necessary to obtain the State office approval on the original copy of Form FCI-15.

SECTION V. - DISTRIBUTION OF FORMS

The following distribution shall be made of the forms used in this procedure:

A. Form FCI-12, Wheat-1940, "Application for Wheat Crop Insurance."

Original (White) forwarded to State office for transmittal to the branch office.

Copy (Yellow) given to the applicant.

At the time the applicant receives a copy of Form FCI-12, he shall also receive a copy of FCI-Regulations 1, Wheat - 1940.

Copy (Green) for State office files.

Copy (Salmon) retained in the county office files.

B. Form FCI-13, Wheat-1940 - "Receipt."

Original (White) given to the applicant at the time the premium is paid.

Copy (Yellow) forwarded directly to the branch office, accompanied by all premium collections.

Copy (Green) for State office files.

Copy (Salmon) retained in county office files.

C. Form FCI-14, Wheat-1940 - "Deposits which may be Applied Toward Payment of 1940 Wheat Crop Insurance Premium."

Original (White) forwarded by branch office to the county office.

Copy (White) forwarded by branch office to the State office for filing.

Copy (White) retained in branch office files.

D. Form FCI-15, Wheat-1940 - "Transmittal Sheet."

Original (White) transmitted daily direct to branch office accompanied by Form FCI-13 and all premium collections.

Copy (Green) forwarded to the State office at the time Forms FCI-12 are sent to the State office.

County Application Procedure

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Copy (Yellow) forwarded to the State office at the time Forms FCI-12 are sent to the State office and will be transmitted to the branch office with Forms FCI-12 when a copy of Form FCI-16 is received from the branch office.

Copy (Salmon) retained in the county office files.

Copy (White) forwarded to State office at the time Forms FCI-12 are sent to the State office. (This copy will be corrected and returned to county office.)

E. Form FCI-16, Wheat-1940 - "Notification of Receipt of Collections."

Original (White) forwarded by branch office direct to the county office to be attached to the county office copy of Form FCI-15.

Copy (Green) forwarded by branch office to State office. State office will release Forms FCI-12 upon receipt of this form.

Copy (Yellow) retained in the branch office files.

F. Form FCI-17, Wheat-1940 - "Certification of Sale of Warehouse Receipts."

Original (White) forwarded daily direct to the branch office accompanied by proceeds of sale of warehouse receipts.

Copy (Yellow) retained by warehouseman purchasing the warehouse receipts.

Copy (Green) sent to the State office for filing.

Copy (Salmon) retained in the county office files.

G. Form FCI-18, Wheat-1940 - "Notice of Acceptance."

Original (White) sent to the applicant by the branch office.

Copy (Yellow) retained in branch office files.

Copy (Green) forwarded by branch office to State office for filing.

County Application Procedure

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Copy (Salmon) will be forwarded by branch office to the State office for forwarding to county office, where it shall be attached to county office copy of Form FCI-12.

SECTION VI. - APPLICATIONS SUSPENDED
BY THE STATE OFFICE.

All corrections or revisions made by the State office will be indicated on the white copy of Form FCI-15, and this copy will be returned to the county office in order that the applicant may be advised in those cases where he is affected by the changes. It is further suggested that suspended Forms FCI-12 be transmitted to the county office with a corrected copy of Form FCI-15.

Suspended Forms FCI-15 will be accompanied by a memorandum outlining the necessary corrections or revisions that are to be made by the county office. Such corrections or revisions shall be made on Form FCI-12 by lining out the incorrect figure and inserting the corrected figure. The applicant shall initial the revision or correction.

If additional premium is due, it shall be collected as soon as possible. The cash equivalent of any additional payment supplementing a premium payment shall be determined by multiplying the number of bushels of wheat of the applicable class and grade constituting such additional payment, by the price of such wheat used for the computation of the original premium payment. Any refunds will be made after the State office has forwarded the Form FCI-12 to the branch office and the branch office has accepted the Form FCI-12. Supplemental premium collections shall be listed on Form FCI-15, indicating the original transmittal sheet number and receipt number. Such transmittal sheets should be plainly marked "Supplemental Collections" at the top of Form FCI-15, and the collections forwarded directly to the branch office.

The distribution of the supplementary Form FCI-15 is to be made in accordance with Paragraph D of Section V above.

SECTION VII.- NOTIFICATION OF RECEIPT OF
PREMIUM COLLECTION

Upon receipt of the original (white) copy of Form FCI-16, attach to the county office copy of Form FCI-15, which bears the same transmittal sheet number as indicated on Form FCI-15. Note the exception(s) listed on this form and make the necessary corrections on all county office forms affected by such changes.

SECTION VIII. - NOTICE OF ACCEPTANCE

Upon receipt of a copy of Form FCI-18, attach this form to the county office copy of Form FCI-12.

UNITED STATES DEPARTMENT OF AGRICULTURE
FEDERAL CROP INSURANCE CORPORATIONR E C E I P T

(This receipt is not to be used in those cases where the premium is being paid by means of an advance from the Agricultural Adjustment Administration.)

TO: _____
(Name of applicant) (Street or R.F.D.)

(Post Office) (State)

Receipt is hereby acknowledged of:

1. Money order ☐ Bank Draft ☐ Cash ☐ Check ☐

in the amount of _____ \$ _____

2. Warehouse receipt dated _____, bearing number _____,

issued by _____

(Name and Address of Warehouse)

representing _____ net bushels _____ wheat:

(Class and Grade)

of which _____ represent payment of premium for the crop year
(Bushels or Dollars)1940 and _____ represent tender of deposit to be applied toward
(Bushels or Dollars)the payment of premium on any application which is accepted by the Corporation,
subject to all the provisions of the insurance contract.

If for any reason whatsoever it appears at any time that the transfer of the warehouse receipt to the Corporation did not convey to it complete and unencumbered title to such receipt and the wheat represented thereby (other than the warehouseman's lien for usual receiving charges and storage for a period not in excess of ten days prior to the date payment or tender was made), or if at any time the Corporation's title to such receipt or wheat is drawn into question by any person, then, unless the stipulated premium is paid on demand by the Corporation, prior to the closing date established by the Corporation for the receipt of the premium, the insurance contract shall at the option of the Corporation become void, and in case any payments have been made thereunder they shall be refunded to the Corporation.

Checks and drafts are accepted subject to collection.

Acceptance of the application will be indicated by the issuance of a Notice of Acceptance, Form FCI-18, signed by the Manager and countersigned by a duly authorized officer or representative of the Corporation.

FEDERAL CROP INSURANCE CORPORATION,

DATE: _____ By _____
(Signature)

(Title)

Wheat Price Card Serial No. _____

UNITED STATES DEPARTMENT OF AGRICULTURE
FEDERAL CROP INSURANCE CORPORATION

State and County

CERTIFICATION OF SALE OF WAREHOUSE RECEIPTS
To Collection Warehouses

Date

(Name and address of Warehouse issuing receipts)

Application Number	Warehouse Receipt Number	Class and Grade	Bushels	Lbs.	Basis	Rate per Bu.	Amount
TOTAL							
Less: deductions for							
Net Amount							

This is to certify that the above-listed warehouse receipts were purchased at the stipulated prices from the Federal Crop Insurance Corporation under date of for the sum of \$.

(Warehouse or Elevator)

(Signature)

(Title)

This is to certify that the above-listed warehouse receipts were sold by the Federal Crop Insurance Corporation to the above-signed party under date of for the sum of \$.

FEDERAL CROP INSURANCE CORPORATION

By (Signature)

(Title)

State and county code

State Name

County Name

Application Number	Name of Applicant	Deposit Bushels	Remarks

(State and county code number)

Date _____

Number _____

TO

NOTIFICATION OF RECEIPT OF COLLECTIONS

We hereby acknowledge receipt of:

- 1. Money orders, bank drafts, cash, and checks
shown on Form FCI-15, Transmittal Sheet No. _____,
in the amount of - - - - - \$ _____

- 2. Proceeds of sale of warehouse receipts shown on
Form FCI-17 - Wheat 1940 in the amount of - - - \$ _____

- Total - - - - - \$ _____

with the following exceptions:

(Signed by) _____

(Title)

(Branch Office)

UNITED STATES DEPARTMENT OF AGRICULTURE
FEDERAL CROP INSURANCE CORPORATION

(State and county code number)

(Transmittal number)

TRANSMITTAL SHEET

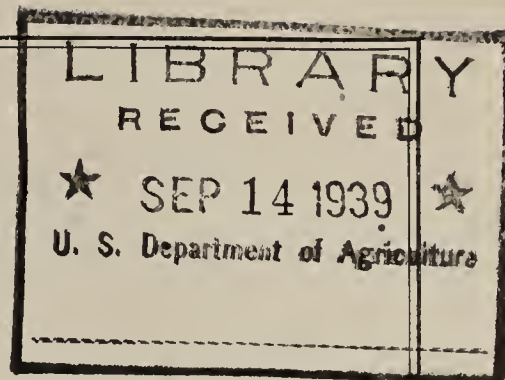
1940 Wheat Crop Insurance Applications

Date

Appli- cation number	Name of applicant	Premium	Deposit applied	Payment	Manner of payment			For use of State committee
					Advance by Secretary	Cash Money order Bank draft cash or check	Ware- house receipt	
		<u>Bushels</u>	<u>Bushels</u>	<u>Bushels</u>	<u>Dollars</u>	<u>Dollars</u>	<u>Bushels</u>	*
1.								
2.								
3.								
4.								
5.								
6.								
7.								
8.								
9.								
10.								
11.								
12.								
13.								
14.								
15.								
16.								
17.								
18.								
19.								
20.								
Totals					\$	\$		XXXXXXXX

(Signed) _____
(County committee)

(Approved) _____
(State committee)



COUNTY APPLICATION PROCEDURE

Sections I - VIII

WHEAT CROP INSURANCE



UNITED STATES DEPARTMENT OF AGRICULTURE
FEDERAL CROP INSURANCE CORPORATION
WASHINGTON, D. C.

Issued July 24, 1939

COUNTY APPLICATION PROCEDURE— WHEAT CROP INSURANCE

SECTION I. GENERAL

A. Presentation of the 1940 Wheat Crop Insurance Program.

The State agricultural conservation committees under the direction of their respective divisional directors of the Agricultural Adjustment Administration will arrange to hold meetings in connection with the presentation of the 1940 wheat crop insurance program. These meetings should be so scheduled that sufficient time will be available for all wheat growers in the county to become acquainted with the wheat crop insurance program and to present their applications for crop insurance prior to the time that they begin to seed wheat. If possible, the agricultural conservation committees should hold these meetings at a time when other phases of the wheat program can be discussed in order to present the crop insurance program as a part of the general farm program being administered by the United States Department of Agriculture.

B. Preparation of Community Lists Showing Yield and Premium Rates.

If it is deemed desirable in connection with the writing of applications, the county committee may prepare community lists showing the adjusted average yield and premium rates for the farm as finally approved by the Federal Crop Insurance Corporation, the crop insurance listing sheet farm number, the Agricultural Conservation Program identifying name, the 1940 wheat acreage allotment, and other information necessary to identify the farm.

C. Forms.

The following forms will be used in connection with this procedure:

Form FCI-2, Wheat—1940, Crop Insurance Work Sheet, hereinafter referred to as Form FCI-2.

Form FCI-3, Wheat—1940, Key Farm Listing Sheet.

Form FCI-3, Wheat—1940, Historical Farm Listing Sheet.

Form FCI-4, Wheat—1940, Appraised Farm Listing Sheet.

Forms FCI-3 and FCI-4 will hereinafter be referred to as farm listing sheet.

Form FCI-12, Wheat—1940, Application for Wheat Crop Insurance, hereinafter referred to as Form FCI-12.

Form FCI-13, Wheat—1940, Receipt, hereinafter referred to as Form FCI-13.

Form FCI-14, Wheat—1940, Deposits Which May Be Applied Toward Payment of 1940 Wheat Crop Insurance Premium, hereinafter referred to as Form FCI-14.

Form FCI-15, Wheat—1940, Transmittal Sheet, hereinafter referred to as Form FCI-15.

Form FCI-16, Wheat—1940, Notification of Receipt of Collections, hereinafter referred to as Form FCI-16.

Form FCI-17, Wheat—1940, Certification of Sale of Warehouse Receipts, hereinafter referred to as Form FCI-17.

Form FCI-18, Wheat—1940, Notice of Acceptance, hereinafter referred to as Form FCI-18.

Form FCI-19, Wheat—1940, Notice of Seeding.

Form FCI-20, Wheat—1940, Collateral Assignment.

Form FCI-21, Wheat—1940, Transfer of Interest.

D. Application for Insurance.

1. Application for insurance shall be made on Form FCI-12. Any person who has an interest as landlord, owner, tenant, or sharecropper in a wheat crop to be seeded on a farm may apply for insurance to cover his interest in such crop.

2. An application shall cover the applicant's interest in the wheat to be seeded on a farm (except as provided in subsection (3) of this section) if his interest is the same in the wheat to be seeded on all tracts constituting the farm, and if the person or persons other than the applicant having an interest in the wheat to be seeded are the same with respect to all tracts. A separate application shall be submitted—

(a) Covering each tract or tracts with respect to which the applicant's interest in the wheat to be seeded differs from his interest in the wheat to be seeded on another tract or tracts within the farm, and

(b) Covering each tract with respect to which the person or persons having an interest in the wheat to be seeded on such tract are different from the person or persons having an interest in the wheat to be seeded on the other tract or tracts within the farm.

3. An application may be submitted covering only spring wheat even though both winter and spring wheat are seeded on the farm, but, as provided in Part VI of FCI Regulations 1—Wheat 1940, the total production of wheat for the purpose of determining the amount of loss under the insurance contract shall include the production from both winter and spring wheat.

4. An application must be submitted at the office of the county committee, together with the premium, before the beginning of the seeding of the wheat crop (or the seeding of the spring wheat where an application is submitted, in accordance with the provisions of subsection (3) of this section, covering only spring wheat even though both winter and spring wheat are being seeded on the farm) or the final date established by the Corporation for the submission of applications in the area in which the farm is located, whichever occurs first.

E. Computation of the Cash Equivalent and Collection of Premium.

1. The cash equivalent of the premium shall be computed and the premium shall be collected at the time the applicant signs Form FCI-12.

2. The cash equivalent of any premium or deposit shall be determined by multiplying the number of bushels of wheat of the applicable class and grade constituting the premium or deposit by the price of such wheat at the current basic market designated by the Corporation, less price differentials. The price of such wheat at the current basic market shall be the price, as determined by the Corporation, for the day when the premium is paid or the deposit is made.

The cash equivalent of any additional payment supplementing a premium payment shall be determined by multiplying the number of bushels of wheat of the applicable class and grade constituting such additional payment, by the price of such wheat used for the computation of the original premium payment.

(a) The basic market means the market designated by the Corporation, for the computation of the cash equivalent of premiums, deposits, refunds, or indemnities, for the area in which the farm is located.

(b) Price differential means the amount per bushel fixed by the Corporation representing (1) transportation charges between the local delivery point specified for the farm and the designated basic market, wherever, in the determination of the Corporation, such charges are applicable, and (2) \$0.04 per bushel for the handling of grain.

3. Premiums shall be payable at the office of the county committee for the county in which the farm is located. Premiums may be paid either in wheat or the cash equivalent thereof, at the option of the insured. Premiums shall be payable at the time the application is taken, and in no event shall a premium (except an additional payment supplementing a premium payment) be paid after the beginning of the seeding of the wheat crop, except as provided in subsection (c) of section 20 of FCI Regula-

tions 1—Wheat 1940, or after the date specified by the Corporation as the closing date for the receipt of applications, whichever occurs first.

4. The payment of premiums in the cash equivalent shall be made in cash, check, money order, or bank draft payable to the Treasurer of the United States, or by means of an advance from the Secretary of Agriculture.

5. Any person who submits an application for insurance may tender, at such time, with his premium payment toward the payment of future premiums a deposit of wheat or cash in an amount not in excess of the premium for the crop year during which the deposit is made. A tender of deposit shall be made at the office of the county committee for the county in which the farm is located. The tender of deposits in the cash equivalent shall be made in cash, check, money order, or bank draft payable to the Treasurer of the United States.

6. All checks and drafts will be accepted subject to collection and premiums or deposits shall not be regarded as paid unless collection is made.

7. When premiums are paid in wheat, such payments shall be made by the delivery of a negotiable warehouse receipt, or some other instrument acceptable to the Corporation (both hereinafter referred to as "warehouse receipt"), representing the number of bushels of wheat of merchantable quality constituting the current year's premium and representing wheat of the class specified in the application and the grade specified for such class by the Corporation for the current year's premium. Tender of deposits in wheat shall be made in a similar manner.

F. Disposition of 1939 Crop Year Deposits.

Any amount which is on deposit with the Corporation pursuant to the Regulations Relating to Wheat Crop Insurance, as amended, F. C. I. R., Series 1, No. 1, as amended, at the election of the depositor (1) shall be applied in payment of the premium for any insurance for which his application is accepted, (2) shall be re-deposited and shall become a deposit

subject to the provisions of FCI Regulations 1—Wheat 1940, or, (3) shall be refunded in accordance with the Regulations Relating to Wheat Crop Insurance, as amended, F. C. I. R., Series 1, No. 1, as amended.

At the time the depositor makes application for insurance with respect to the 1940 crop he shall specify one or more of the foregoing methods of disposition of his deposit: *Provided, however,* That any such deposit or any portion thereof which, at the direction of the depositor is not applied in payment of premium or re-deposited will be refunded as soon as practicable by the Corporation in accordance with the Regulations Relating to Wheat Crop Insurance, as amended, F. C. I. R., Series 1, No. 1, as amended; *And provided, further,* That any excess of the amount applied in payment of the premium will become a deposit, or will be refunded at the election of the depositor, in accordance with the provisions of section 40 of FCI Regulations 1—Wheat 1940.

The branch office will supply each county office with Form FCI-14, showing the 1939 wheat crop insurance applicants having deposits to their credit with the Federal Crop Insurance Corporation (hereinafter referred to as the Corporation). Upon receipt of this list showing the amount of the deposit in bushels to be applied toward payment of the 1940 wheat crop premium, the county committee should notify each person whose name appears on this list of the amount of deposit to his credit. Copies of this list may be prepared in the county office for use at community sign-up meetings or for crop insurance representatives or community committeemen when applications for insurance are being written, in order that the applicant may apply his 1939 deposit toward payment of his 1940 premium.

The deposit in bushels as shown on Form FCI-14 has been computed on the basis of the class of wheat and the local station for the crop year 1939, shown on Form FCI-10, Premium Notice. In the event that the applicant is designating on Form FCI-12 as a basis for the payment of premium and indemnity for the

1940 crop year a class of wheat which differs from the class of wheat specified for 1939 on Form FCI-10, the deposit in bushels must be recomputed. In order to determine the deposit in bushels in terms of the class of wheat specified on Form FCI-12, multiply the deposit in bushels as shown by Form FCI-14 by the current basic market price for the class of wheat specified on Form FCI-10, less price differentials, and divide the result by the current basic market price, less price differentials, for the class of wheat specified on Form FCI-12. The current basic market price shall be the price of wheat at the current basic market on the date of computation of the cash equivalent of the premium for 1940.

In the event that the local station on which the deposit in bushels has been computed differs from the local delivery point specified on Form FCI-12, the State office should be advised in order that the deposit in bushels may be recomputed.

G. Fractional Units in Acres and Yields.

Fractions of yields per acre, loss costs, and premium rates shall be rounded to the nearest tenth of a bushel. Fractions of bushels, other than yields per acre, loss costs and premium rates, shall be rounded to the nearest bushel. Fractions of acres representing total acres of wheat shall be rounded to the nearest tenth of an acre. Fractions representing five one-hundredths or less shall be dropped, and fractions representing more than five one-hundredths shall be considered as a whole tenth.

H. Recommendation for Rejection of an Application by the Corporation.

The county committee may recommend rejection by the Corporation of any Form FCI-12 where it determines that the risks to be incurred warrant such action. In making these recommendations, a memorandum should be prepared outlining all the facts relative to the rejection of the particular Form FCI-12. The original of this memorandum shall be attached to the original of Form FCI-12 and a copy shall be attached to the State office copy of

Form FCI-12 when these forms are transmitted to the State office. A copy of this memorandum shall also be attached to the county office copy of Form FCI-12.

I. Acceptance of Applications by the Corporation.

Acceptance of applications shall be made by the issuance to the applicant of a notice of acceptance signed by the manager and countersigned by a duly authorized officer or representative of the Corporation. Applications shall not be accepted by the Corporation until the premium has been paid. Applications shall be accepted only with respect to farms upon which soil conservation and other good farming practices are being followed.

SECTION II. PREPARATION OF FORM FCI-12, WHEAT—1940, APPLICATION FOR WHEAT CROP INSURANCE

A. 1. Do not insert the State and county code and application number at the time Form FCI-12 is prepared.

This information will be inserted when Form FCI-15 is prepared in the county office.

2. Enter the crop insurance listing sheet farm number(s) as shown in Colum 1 of the applicable crop insurance approved farm listing sheet.

3. Enter the 1940 Agricultural Conservation Program farm number, if available.

Where this number is not available, no entry shall be made in the space provided for the 1940 Agricultural Conservation Program farm number.

B. 1. Enter in paragraph 1 the 1940 acreage allotment or the 1940 permitted acreage for harvest for the farm.

Enter the words "not identical" above the space provided for the 1940 wheat acreage allotment in those cases where the farm for which Form FCI-12 is being prepared is not identical with the farm for which the 1940 wheat acreage allotment was determined.

2. Insert the following information in paragraph 2:

Column A: (a) Where the yield and rate procedure for special practice(s) has not been

followed in the county, no entry shall be made in this column.

(b) Where yield and rate procedure *for special practice(s)* has been followed in the county, list all the practices to be followed on the farm. In the event that separate yield and premium rates for special practices have not been established for the farm in a special practice county, the word "general" should be inserted in this column. Where separate yield and premium rates *have been* established for special practices on the farm, the application shall be prepared on the basis of such special practice(s).

(c) In those cases where a farm contains both irrigated and nonirrigated land, the irrigated and nonirrigated portions should be listed separately in Column A, not only if yields and premium rates have been established on separate special practice listing sheets for irrigated and nonirrigated land but also if the irrigated and nonirrigated land are carried as separate farms on the general listing sheets. In no case should two applications be submitted for the same farm, one application showing irrigated land and the other indicating nonirrigated land.

(d) Where an application is being submitted covering both winter and spring wheat, the winter and spring wheat shall be listed separately in Column A. Where yields and premium rates have not been established on separate special practice listing sheets for winter and spring wheat, the acreages in Columns D and E of Form FCI-12 shall be totaled and the adjusted average yield and premium rate applicable to both winter and spring wheat entered in Columns B and H, respectively, opposite the total acreage.

Column B: Adjusted average yield for farm.—

(a) Enter from the approved farm listing sheet the adjusted average yield for the farm as finally approved by the Corporation. Supplemental listing sheets, listing sheet for combined and subdivided farms, and other similar cases shall be handled in accordance with this procedure.

(b) For those farms on which special practices are recognized, the adjusted average yield

as finally approved by the Corporation for each special practice being followed on the farm shall be entered in Column B opposite the special practice as indicated in Column A.

(c) If the county committee recommends, pursuant to subsections (c) and (d) of section 51 of FCI—Regulations 1—Wheat 1940, that the total insured production should be adjusted because the Corporation's risk has been increased for any of the reasons specified in said subsections, the county committee shall enter in Column B in place of the adjusted average yield on the approved farm listing sheet the yield appraised by the committee on the basis of the farming practice being followed for the 1940 crop. In making its appraisal, the county committee shall, insofar as possible, be guided by the adjusted average yields established for farms of a quality similar to the land to be seeded on the farm or farms following a practice similar to the practice to be followed, whichever is applicable. In such cases, Form FCI-12 should be accompanied by a memorandum from the county committee fully setting forth the reason(s) for recommending a yield different from the yield determined for the listing sheet. The original of this memorandum shall be attached to the original of Form FCI-12 and a copy shall be attached to the State office copy of Form FCI-12 when these forms are transmitted to the State office. A copy of this memorandum shall also be attached to the county office copy of Form FCI-12.

Column C: Percent insurance.—(a) Enter in this column either 75 or 50 percent, indicating the percent insurance requested by the applicant. Although 75 percent insurance is applied for, the county committee should recommend that the insured percentage be limited to 50 percent where it determines that the risks to be incurred warrant such action.

(b) For those farms on which special practices are being followed, the percent insurance requested shall be the same for each practice.

Column D: Number of acres to be seeded for harvest as grain.—(a) Enter in this column the number of acres the applicant intends to seed

to wheat for harvest as grain on this farm. In the event the applicant intends to seed approximately his acreage allotment, or permitted acreage, then the acreage allotment, or permitted acreage, should be entered in Column D. This will eliminate small underpayments and the necessity of obtaining additional payment upon final determination of the acreage.

(b) For those farms on which special practice(s) are recognized enter the number of acres to be seeded under each special practice opposite the special practice listed in Column A. The total of the figures appearing in Column D should be entered at the bottom of this column. In the event the applicant intends to seed approximately his acreage allotment, or permitted acreage, then the total acres for all practices should equal his acreage allotment, or permitted acreage.

Column E: Number of acres used for computation of premium.—The entries to be inserted in Column E depend upon the circumstances involved in the particular case. A few of these cases are outlined below:

CASE 1. *Usual cases.*—The entry in this column should be the same as in Column D unless the entry in Column D is more than the wheat acreage allotment, or permitted acreage, in which event the entry in Column E should be the acreage allotment, or permitted acreage.

CASE 2. *Combination of two or more farms listed separately on approved farm listing sheets.*—In the event two or more farms which have been listed separately on the crop insurance farm listing sheet involving only one owner are combined under one operation in 1940, the allotment for the combined farm shall be used. The yield for the combined farm shall be the weighted average yield and the premium rate shall be the weighted average premium rate (except where acreage under separate special practices have been carried as separate farms on the general listing sheets).

Example.—A owns two farms, one operated in the past by X having a 100-acre wheat acre-

age allotment, an adjusted average yield of 15 bushels, and a premium rate of 0.5 bushel, and the other operated by Y, having a 50-acre allotment, an adjusted average yield of 10 bushels per acre, and a premium rate of 1.0 bushel per acre. Both of these farms are to be operated in 1940 by Z as a farming unit. The adjusted average yield of 13.3 bushels for the combined farm is determined by multiplying the wheat acreage allotment for each farm by the adjusted average yield for that farm and dividing the sum of these products by the total of the allotments for the original farms. ((100 acres times the adjusted average yield of 15 bushels) plus (50 acres times the adjusted average yield of 10 bushels) equal 2,000, which when divided by the total acreage allotment of 150 acres equals the adjusted average yield for the combined farm of 13.3).

In like manner the premium rate for the combined farm will be determined by multiplying the premium rate for each farm by the acreage allotment for the farm, adding the products and dividing by the total of the allotments for the original farms. ((100 acres times 0.5 bushel) plus (50 acres times 1.0 bushel) equals 100, which when divided by 150 acres equals 0.7, the premium rate per acre.) See memorandum work sheet, page 7, illustrating the method of determining yield and premium rates for combined farms.

CASE 3. *Division of listing sheet farms.*—In case a farm listed on the approved listing sheet is being divided in 1940, and the farms resulting from such a division are different in soil type, topography or risk, which would indicate a different yield and premium rate for the newly created units, the county committee should establish an adjusted average yield and premium rate for the new units at a figure which would result, when weighted by the acreage allotments for the new units, in an adjusted average yield and premium rate for the two farms which would be substantially the same as determined for the farm before it was divided.

WORK SHEET

MEMORANDUM WORK SHEET TO BE USED IN DETERMINING YIELD AND PREMIUM RATES FOR COMBINED FARMS

	Combined farms	Farms to be com- bined	
	<i>a</i>	<i>b</i>	<i>c</i>
1. Crop insurance farm No.....			
2. Crop insurance application No.....			
3. Name of landlord or tenant.....	Z	X	Y
4. Wheat acreage allotment.....	150	100	50
5. Adjusted average yield.....	13.3	15	10
6. Yield times acreage.....	2,000	1,500	500
7. Premium rate.....	.7	.5	1.0
8. Premium rate times acreage.....	100	50	50

To determine the adjusted average yield for the combined farm Z: (100 acres times the adjusted average yield of 15 bushels) plus (50 acres times the adjusted average yield of 10 bushels) equals 2,000. This divided by the total acreage allotment of 150 acres equals the adjusted average yield of 13.3.

To determine the premium rate for farm Z: (100 acres times 0.5 bushel) plus (50 acres times 1.0 bushel) equals 100. This divided by 150 acres equals 0.7, the premium rate per acre.

Illustrating use of work sheet for determining the yield and premium rate for combined farm.

Example.—A owns a farm having an allotment of 120 acres, an adjusted average yield of 15.1 bushels, and a premium rate of 1 bushel per acre. In 1940 this farm is divided into two farms, farm X and farm Y. The divided farm X has an allotment of 80 acres, and farm Y has an allotment of 40 acres. It will first be necessary to establish a yield for both farm X and farm Y by comparing with similar farms and taking into account the relative difference in production of the two farms.

In this case the county committee determines that farm X has an adjusted average yield of 18 bushels and farm Y has an adjusted average yield of 9 bushels. The sum of the products of the acreage allotment for farm X and the adjusted average yield for farm X, the acreage

allotment for farm Y and the adjusted average yield for farm Y should approximate the product of the adjusted average yield and the acreage allotment for farm A. ((The allotment for farm X of 80 acres times the adjusted average yield of 18 bushels) plus (the allotment of 40 acres for farm Y times the adjusted average yield of 9 bushels) equals 1,800 bushels, which result must be substantially the same as the product of the adjusted average yield and the acreage allotment for farm A).

In a like manner the premium rate for farm X and farm Y would be established. It would be first necessary to establish a premium rate on farm X and farm Y by comparing with similar farms and taking into account the relative difference in risk between the two farms.

WORK SHEET

MEMORANDUM WORK SHEET TO BE USED IN DETERMINING YIELD AND PREMIUM RATES FOR A SUBDIVIDED FARM

	Farm to be divided <i>a</i>	Farms after division	
		<i>b</i>	<i>c</i>
1. Crop insurance farm No.....			
2. Crop insurance application No.....			
3. Name of landlord or tenant.....	A	X	Y
4. Wheat acreage allotment.....	120	80	40
5. Adjusted average yield.....	15. 1	18	9
6. Yield times acreage.....	1, 812	1, 440	360
7. Premium rate.....	1. 0	. 6	1. 8
8. Premium rate times acreage.....	120	48	72

To determine the adjusted average yield: (The allotment for farm X of 80 acres times the adjusted average yield of 18 bushels) plus (the allotment of 40 acres for farm Y times the adjusted average yield of 9 bushels) equals 1,800 bushels. This is approximately equal to the figure 1,812 shown in 6a.

To determine the premium rate: (The allotment for farm X of 80 acres times the premium rate of 0.6 bushel) plus (the allotment of 40 acres for farm Y times the premium rate of 1.8 bushels) equals 120 bushels. This is equal to the figure 120 shown in 8a.

Illustrating use of work sheet for determining the yield and premium rates for subdivided farm.

In this case the county committee has determined that the premium rate on farm X should be 0.6 bushel and the premium rate for farm Y should be 1.8 bushels. The sum of the products for the premium rate for farm X and the acreage allotment for farm X and the premium rate for farm Y and the acreage allotment for farm Y should be substantially the same as the product of the premium rate for farm A and the acreage allotment for farm A.

(The allotment for farm X of 80 acres times the premium rate of 0.6 bushel) plus (the allotment of 40 acres for farm Y times the premium rate of 1.8 bushels) should be substantially the same as (the allotment for farm A of 120 acres times the premium rate of 1.0 bushel for farm A). See memorandum work sheet above, illustrating the method of determining yield and premium rates for divided farms.

For cases 2 and 3 outlined above the data for

the newly constituted farms (both combined and divided) should be entered on listing sheet(s) headed to indicate combined or divided farms. This listing sheet shall be retained in the county office. The county office shall also prepare a memorandum on a form similar to the attached for each farm, whether combined or divided, outlining the method of computing yield and premium rates. Copies of this memorandum shall be attached to the State office copy, the branch office copy, and the county office copy of Form FCI-12 and also to the original approved listing sheet on file in the county office.

A notation should be made on the original approved listing sheet indicating that the data for the original farm has been transferred to a combined or divided farm listing sheet.

In case special practices are encountered in either of the above cases, they should be worked

out on the basis of the individual farm as indicated in the example.

CASE 4. *Special practices.*—Where Forms FCI-12 are prepared on the basis of special practices, the entries in Column E shall be the same as in Column D, provided that the sum of the entries in Column D are equal to or less than the 1940 acreage allotment or the permitted acreage as shown in paragraph 1 of Form FCI-12. In the event that the number of acres indicated in Column D is greater than the 1940 wheat acreage allotment or the permitted acreage, the acreages for each special practice appearing in Column D shall be adjusted proportionately so that the total number of acres appearing in Column E shall be equal to the 1940 wheat acreage allotment or permitted acreage. The acreage as shown in Column E for each of the special practices shall bear the same relationship to the acreage shown in Column D for the special practice that the acreage allotment or permitted acreage bears to the total acres to be seeded for harvest as grain as shown in Column D.

Example.—The 1940 wheat acreage allotment for the farm is 100 acres, and the applicant has indicated in Columns A and D that he is planting 80 acres to wheat on summer fallow and 30 acres on continuous cropping. The entry in Column E shall be 100/110 of 80, or 72.7 for summer fallow, and the entry in Column E shall be 100/110 of 30 or 27.3 acres for continuous cropping (also note example 2 of case 5).

CASE 5. *Two or more farms or tracts combined under one operation under the agricultural Conservation Program but under different ownerships.*—If two or more farms or tracts are combined under one operation under the Agricultural Conservation Program, but are under different ownerships, the operator shall execute a Form FCI-12 for each separately owned tract of land. In such cases the acreage used for the computation of premium in Column E

may be greater than the acreage allotment shown in paragraph 1 of Form FCI-12. In these cases, insofar as practical, all Forms FCI-12 covering farms which have been combined as one farm under the Agricultural Conservation Program shall be submitted at the same time with a letter of explanation from the county committee accompanying each Form FCI-12. This letter of explanation should show the Agricultural Conservation Program farm or tract numbers, the allotment for each of the farms or tracts being combined and a table indicating that the acreage in Column E used for the computation of the premium bears the same relation to the acreage to be seeded in Column D on each farm or tract that the total acreage allotment for the combined farms or tracts bears to the total acreage to be seeded on all farms.

In those cases where Forms FCI-12 are being submitted on field-rented tracts, or other tracts, two or more of which make up a farm for the Agricultural Conservation Program, and the acreage allotments have not been established for each of these tracts, it will be necessary to enter the words "not identical" in the item in paragraph 1 referring to 1940 acreage allotments. Insofar as possible all the Forms FCI-12 of the landlord, and all Forms FCI-12 of the operators, should be submitted at the same time. In case the total acreage to be seeded to wheat on the various tracts composing the farm is in excess of the farm wheat allotment or permitted acreage, then the acreage used for the computation of premium for each Form FCI-12 as shown in Column E shall be the same proportion of the acreage to be seeded on that tract that the farm allotment or permitted acreage is of the total acreage to be seeded on the farm. A table showing the farm allotment, the acreage to be seeded on each tract, and the acreage to be used in the computation of premiums for each tract should be submitted with each Form FCI-12. (See example 1.)

EXAMPLE 1

	<i>Number of acres to be seeded for harvest as grain</i>	<i>Acreage allotment</i>
Farm A.....	110	100
Farm B.....	150	100
Farm C.....	60	100
	<hr/> 320	<hr/> 300

Then the entry in Column E for:

Farm A will be $\frac{300}{320}$ of 110 or 103.1

Farm B will be $\frac{300}{320}$ of 150 or 140.6

Farm C will be $\frac{300}{320}$ of 60 or 56.2

EXAMPLE 2

The following example illustrates this procedure in the event special practices are being used on any farm.

	<i>Number of acres to be seeded for harvest as grain</i>	<i>Acreage allotment</i>
Farm A:		
Fallow.....	80	
Continuous cropping.....	30	100
Farm B:		
Fallow.....	100	
Continuous cropping.....	50	100
Farm C:		
Fallow.....	40	
Continuous cropping.....	20	100
Total.....	<hr/> 320	<hr/> 300

Then the acreage for Column E for:

	<i>Fallow</i>	<i>Continuous cropping</i>
Farm A will be $\frac{300}{320}$ of 80 or 75.0	$\frac{300}{320}$ of 30 or 28.1	
Farm B will be $\frac{300}{320}$ of 100 or 93.8	$\frac{300}{320}$ of 50 or 46.9	
Farm C will be $\frac{300}{320}$ of 40 or 37.5	$\frac{300}{320}$ of 20 or 18.8	

Column F: Applicant's interest in wheat crop.—Enter in this column the percentage representing the applicant's share in the 1940 wheat crop, at the time of signing the application. Even though the applicant's interest in the wheat crop may be changed at a later date, the percentage of the interest as indicated on

Form FCI-12 cannot be changed after the closing date set for the acceptance of Form FCI-12 in the county office, or the beginning of the seeding of the wheat crop, whichever date occurs first. Any change in interest in the wheat crop after the date specified above may be adjusted in accordance with the provisions of section 86 of FCI Regulations 1, Wheat—1940.

In those cases where the applicant's interest in the wheat crop is not the same on all tracts to be planted to wheat on the farm, in accordance with section 20 of FCI Regulations 1, Wheat—1940, a separate Form FCI-12 shall be prepared for each tract in which there is a different interest. Each Form FCI-12 shall be accompanied by a memorandum stating all the facts and the words "not identical" shall be inserted on Form FCI-12 above the space provided for the 1940 wheat acreage allotment.

In the event that the farm has been divided, separate yields and rates shall be determined in accordance with the procedure outlined for case 3.

In the event that the county committee wishes to recommend rejection by the Corporation, paragraph H of section I—General of this procedure shall be followed.

Column G: Insured production.—Enter in this column the product of the adjusted average yield, percent insurance, number of acres used for computation of premium, and the applicant's interest in the wheat crop (Columns $B \times C \times E \times F$).

If more than one farming practice is shown in Column A, compute the insured production for each practice as outlined above. The total of the figures appearing in Column G should be entered at the bottom of this column.

Column H: Premium rate per acre.—Enter in this column the premium rate per acre for the farm as finally approved by the Corporation, and as shown on the approved listing sheet, or the unapproved rate on the supplemental listing sheet, if applicable.

If the premium rate per acre is less than the minimum, 0.5 bushel for 75 percent insurance and 0.3 bushel for 50 percent insurance, the

minimum rate shall be inserted in Column H except in the case of special practice(s).

In the case of applications filed on the basis of special practices, if the premium rate for any special practice is less than the minimum it shall nevertheless be entered in Column H. The application of the minimum is covered under Column I.

Column I: Premium.—Enter in this column the product of the number of acres used for computation of premium, applicant's interest in the wheat crop, and the premium rate per acre (Columns E×F×H).

If more than one farming practice is shown in Column A, compute the premium for each practice as outlined above and enter the total of the figures appearing in this column.

If the premium rate per acre for any special practice on the farm is less than the minimum (0.5 bushel for 75 percent and 0.3 bushel for 50 percent), compute also what the total premium would be on the basis of the minimum rate for the total acres in Column E. If this figure is larger than the total premium as determined on the basis of the special practice premium rate, or rates, it shall be used. In those cases where the minimum rate for the farm is used, a line shall be drawn through the total premium entered at the bottom of Column I and the premium as computed above shall be entered.

Paragraph 3. *Description of farm.*—1. Enter the total number of acres in the farm covered by the application.

2. Enter the legal description. (a) Where the farm can be readily identified by the legal description, the general description need not be inserted.

(b) Where the farm contains range land separate from the cropland to be planted to wheat, the legal description of such range land need not be included, provided that the legal description be given of all cropland on the farm.

(c) In those areas where the legal description is not readily available, it may be desirable to use the spaces provided for the legal description to give a more complete general description so that the farm can be readily located.

3. Enter the general description by inserting the name by which the farm is locally known, if any; the distance, direction from and name of the nearest city, town, or village, and the name of the road (Federal, State, county, or private) nearest to the farm.

Paragraph 4. *Local delivery point.*—Enter the name of the local delivery point for the area in which the farm is located.

This shall be the accessible delivery point nearest to the farm as shown on the freight rate schedule furnished by the Corporation.

Paragraph 5. *Designation of class of wheat.*—Enter the class of wheat selected by the applicant as the basis for payment of premium and indemnity.

This class of wheat must be one normally grown in the area and shall be one of the classes shown on the Wheat Price Card.

Computations of cash equivalents will be based upon the same classes and grades of wheat as were used for the 1939 program. These classes of wheat and the applicable grades, which will be used in the computation of premiums, are as follows:

Class:	Basic grade
Red Winter.....	No. 2
Hard Winter.....	No. 2
Soft White.....	No. 2
Hard White.....	No. 2
Dark Northern Spring.....	No. 1
Northern Spring.....	No. 1
Western White.....	No. 2
Hard Amber Durum.....	No. 2
Hard Winter (Montana, Idaho, and Utah).....	No. 2
Western Red.....	No. 2

Paragraph 6. *Deposit of excess payment.*—Indicate by check mark whether payment in excess of the premium shall be (a) deposited to the credit of the applicant to be applied toward the payment of the premium on any application which is accepted by the Corporation, or (b) refunded.

Paragraph 10. *Tenure of land.*—(a) Print or type the name of the operator and landlord, if any, in the manner that he usually affixes his signature.

(b) Print or type the complete address in order that all mail forwarded to such address will be delivered promptly.

(c) Under the heading "Relationship to farm" opposite the name of the operator and landlord, if any, indicate whether the party is owner-operator, landlord, cash tenant, fixed commodity-rent tenant, share tenant, or tenant on combined share and cash or fixed commodity-rent basis.

(d) Under the heading "Interest in Wheat Crop" enter the interest of each party in the 1940 wheat crop.

The applicant's interest shall be the same as shown in Column F, paragraph 2 of Form FCI-12 and the total interest of all parties shall not exceed 100 percent.

Paragraph 11. *Signatures.*—The applicant shall sign his name in the same manner as the printed or typed name in paragraph 10 and shall indicate the date of the signing. The basic market price to be used in the computation of the cash equivalent of the premium shall be the price applicable for the day that Form FCI-12 is signed by the applicant.

All signatures and evidence of authority relative thereto shall be in accordance with the procedure of the county agricultural conservation association as outlined in Form ACP-16. Instructions on Signatures and Authorizations.

In those cases where the county committee is not absolutely certain that the person signing the application has authority to act, it is suggested that evidence of authority be obtained and filed in the county office.

Paragraph 12. *Certificate of county committee.*—Form FCI-12 shall be carefully reviewed by the county committee and if found to be in order, a member of the county committee shall sign the certificate of the county committee.

If subsequent to receipt of the premium collection and the execution of Form FCI-12 by the applicant, the county committee determines that Form FCI-12 should not be approved, the listing on Form FCI-15 shall be made in the regular manner and the premium collection

received for the suspended Form FCI-12 shall be transmitted to the branch office.

However, a line shall be drawn through the data for the suspended Form FCI-12 appearing on Form FCI-15. A notation shall be placed on Form FCI-15 under the column headed "For use of State Committee," to the effect that suspension was made by the county committee. These revisions shall be made on all copies of Form FCI-15, except that the original Form FCI-15, which accompanies the premium collections to the branch office, shall not be revised.

In no event shall premium collections be retained in the county office pending correction of application or for any other reason.

Where an application is being submitted by an absentee owner or landlord the county committee shall compute the cash equivalent of the premium using the current basic market price for the day that the application is signed by such owner or landlord. The absentee owner or landlord shall be notified that the amount of the cash equivalent of his premium must be paid within two weeks of the date of such notification. In no event shall the premium be paid after the beginning of the seeding of the wheat crop or after the date specified by the Corporation as the closing date for the receipt of applications, whichever occurs first. Forms FCI-12 executed by absentee owners or landlords shall not be listed on Form FCI-15 nor certified by the county committee until the premium payment has been received.

In the event the county committee recommends that Form FCI-12 should be rejected, a memorandum shall be prepared outlining all the reasons why Form FCI-12 should be rejected. It is suggested that all Forms FCI-12 which are being recommended for rejection be carefully reviewed prior to forwarding to the State office. Form FCI-12 should not be marked in any manner indicating that it is being recommended for rejection except that the certificate of the county committee shall not be signed since final rejection can only be made by the branch office of the Corporation.

The original of the memorandum recommending rejection shall be attached to the original of Form FCI-12, a copy attached to the copy sent to the State office, and a copy attached to the county committee copy of Form FCI-12.

Where premiums have been collected but the county committee is recommending rejection, the premiums shall be transmitted to the branch office accompanied by the original of Form FCI-15 and the branch office copy of Form FCI-13.

Paragraph 13. *Computation of cash equivalent of premium.*—(a) Enter the total premium in bushels as shown in Column I of Form FCI-12, showing the 1939 application number for each deposit being applied toward payment of premium.

(b) Enter the bushels of wheat on deposit, if any, from Form FCI-14.

If the class of wheat designated on Form FCI-12 differs from that shown on Form FCI-10, Premium Notice, for the 1939 crop year, the deposit shall be recomputed by multiplying the deposit in bushels by the current basic market price, less price differentials, for the class of wheat specified on Form FCI-10 and dividing the result by the current basic market price, less price differentials, for the class of wheat specified on Form FCI-12. Price differentials include the transportation rate from the local delivery point to the basic market plus handling charge of \$0.04 per bushel.

Price differential is the amount per bushel representing transportation charges between the local delivery point specified for the farm and the designated basic market plus \$0.04 per bushel for the handling of grain.

Example.—A owns and operates a farm in Jersey County, Illinois, and has on deposit with the Corporation 90 bushels of wheat as shown on Form FCI-14. This deposit was computed by using No. 2 Red Winter Wheat for the county according to Form FCI-10. Form FCI-12 for A shows that he wishes to pay his premium in No. 2 Soft White Wheat. The transportation rate from Grafton, Ill., the local delivery point for A, to the basic market in

Chicago is \$0.09 and the handling charge is \$0.04. The most recent Wheat Price Card shows the price at the Chicago Market for No. 2 Red Winter Wheat is \$0.90½ and for No. 2 Soft White Wheat is \$0.80½. The deposit for A in No. 2 Soft White Wheat would be arrived at by multiplying his deposit of 90 bushels by the current basic market price (\$0.90½) less price differentials (\$0.09 plus \$0.04) for No. 2 Red Winter Wheat and dividing the result (90 times 77½ equals \$69.75 by the current basic market price (\$0.80½) less price differentials (\$0.09 plus \$0.04), for No. 2 Soft White Wheat. (\$69.75 divided by 67½ equals 103.33 bushels or 103 bushels, 20 pounds).

The deposit shall be shown in bushels and pounds. Each application on which the deposit has been recomputed should be accompanied by a work sheet similar to the attached showing the data used in determining the recomputed deposit. The original of this work sheet should be attached to the original of Form FCI-12 and a copy attached to the State office copy of Form FCI-12 when Form FCI-12 is forwarded to the State office. A copy shall also be attached to the county office copy of Form FCI-12.

In the event that the local station on which the deposit in bushels has been computed differs from the local delivery point specified on Form FCI-12, the State office should be advised in order that the deposit in bushels may be recomputed.

(c) Enter the balance of the premium due by deducting the bushels of wheat representing the 1939 deposit shown in item (b) from the total premium in bushels shown in item (a).

1. In the event the bushels on deposit equal or exceed the total premium in bushels, enter the word "none" in item (c).

2. Where the 1939 deposit in item (b) exceeds the total premium in item (a), a memorandum signed by the applicant shall be attached to each copy of Form FCI-12 indicating the disposition of that portion of the 1939 deposit which has not been applied toward payment of premium. In this memorandum the depositor

shall elect (a) to apply the remaining deposit toward payment of premium due under any other Form FCI-12, (b) to redeposit his 1939 deposit in an amount not to exceed the premium for the crop year 1940, or (c) to have the excess deposit refunded. In the event this memorandum is not submitted by the applicant, the excess deposit will be refunded as soon as practicable by the Corporation. Also, in those cases where the amount of the 1939 deposit to be redeposited exceeds the premium for the crop year 1940, this excess will be refunded by the Corporation.

3. All refund of 1939 deposits will be made upon the basis of the price of wheat for the day when payment of the refund is approved by the Corporation.

4. The balance of the premium due shown in item (c) shall be rounded to whole bushels.

Where the applicant wishes to tender a deposit for payment of future premiums, the amount of this deposit in bushels may be added to the figure appearing in Column c. Deposits will be accepted only at the time of the payment of the initial premium. Such deposits must not exceed the 1940 premium as shown in Column a of paragraph 13. Any refund of such deposits will be made on the basis of the price of wheat on the day when the deposit was made.

(d) Enter the name of the basic market, the wheat price card serial number and the basic market price for the class of wheat shown in paragraph 5 of Form FCI-12. The current basic market price for the date that Form FCI-12 is signed by the applicant shall be used as the applicable price for the computation of the cash equivalent of the premium.

State and county code and application number

WORK SHEET FOR RECOMPUTATION OF DEPOSIT

Name of applicant_____A_____

Address of applicant_____Grafton, Illinois_____

1. Amount of deposit_____90_____

(Per FCI-14) Bushels Pounds

2. Basic Market_____Chicago, Illinois_____

(a) (b)

3. Class of wheat_____ No. 2 Red Winter Wheat No. 2 Soft White Wheat

4. Basic market price_____ \$0. 90½ _____ \$0. 80½ _____

Wheat price card serial No. 6

5. Price differential: Transportation rate from local delivery point
to basic market_____ \$0. 09 _____

Handling charge:_____ . 04 \$0. 13 \$0. 13

6. Net price (Item 4 less Item 5)_____ \$0. 77½ _____ \$0. 67½ _____

7. Present value of deposit at local station in class of wheat
shown on Form FCI-10 (Item 1×6 (a))_____ \$69. 75 _____

8. Recomputed deposit (Item 7 divided by 6 (b))_____ 103. 33 bushels
or
103 bushels
20 pounds

(e) Enter the price differential. Price differential is the amount per bushel representing transportation charges between the local delivery point specified for the farm and the designated basic market plus \$0.04 per bushel for the handling of grain.

(f) Determine the net price per bushel by deducting the price differential from the basic market price.

(g) Compute the cash equivalent of the premium due by multiplying the balance of the premium due by the net price per bushel.

Application for Farms not Listed on Approved Listing Sheets.

If Forms FCI-12 are received for farms not listed on approved key, historical, or appraised farm listing sheets, supplemental listing sheets shall be prepared. Such listing sheets shall be plainly marked "supplemental" at the top of the listing sheet. The Form FCI-12 shall be fully executed and the premium collected and transmitted immediately to the branch office in accordance with this procedure. These listing sheets and Forms FCI-12 shall be retained in the county office and transmitted at the close of the sign-up period or at such time that 25 or more Forms FCI-12 have been received. The applicant should be advised that such yields and premium rates established for his farm are subject to approval.

These listing sheets shall be prepared in accordance with the procedure outlined for the preparation of historical, appraised, and special practice listing sheets in the County Yield and Rate Procedure, Form FCI-1—Wheat 1940, with the following exception:

1. If the yield and rate for a farm listed on the supplemental listing sheet is based on the yield and premium rate for a farm already listed and approved on the key farm listing sheet, the average yield and premium rate used should be the one finally established for such similar farm. Therefore, the revision factor will not be applied to such yield and premium rates. An

explanation should be made if the appraised yield or premium rate is more than 10 percent greater or less than that for the similar key farm. An explanation should also be made if the deviations of the yield and premium rates from the key farm are in opposite directions.

2. In those counties where yield and premium rates have not been established for any of the wheat farms in the county, the county committee should study the County Yield and Rate Procedure, Form FCI-1—Wheat 1940, and shall follow this procedure in establishing yield and rates where historical data are available. Forms FCI-2 shall be prepared for each of these cases and the listings shall be made on a Key Farm Listing Sheet.

In those cases where historical data are not available, county committees shall appraise yields and rates by comparing the farm for which a yield and rate is to be established with a similar farm for which a yield and rate has been established on the historical basis. In the event no historical data are available in the county, the county committees shall appraise a yield and rate for the farm. In no case shall this appraised yield exceed the Agricultural Conservation Program yield established for the farm. In these cases the listings shall be made on an Appraised Farm Listing Sheet and a memorandum should be prepared outlining all the facts relative to the establishment of the yield and premium rate for the farm. The original of this memorandum shall be attached to the original of Form FCI-12 and a copy shall be attached to the State office copy of Form FCI-12 when these forms are transmitted to the State office. A copy of this memorandum shall also be attached to the county office copy of Form FCI-12.

It will not be possible to revise the adjusted average yield and the premium rates to meet county check yield and premium rates, as yield and rates have not been established for virtually all the wheat farms in the county.

SECTION III. COLLECTION OF PREMIUM AND PREPARATION OF FORM FCI-13, RECEIPT

A. Premiums shall be collected at the office of the county committee of the county in which the farm is located and shall be payable at the time the application is taken. Payment of the premium shall be made in cash, check, money order, or bank draft payable to the Treasurer of the United States, by warehouse receipt, or by means of an advance from the Secretary of Agriculture.

The county committee shall transmit all premiums and deposits paid in cash, check, money order, or bank drafts to the Corporation each day. All checks and drafts shall not be regarded as paid unless collection is made.

1. *Premium paid by warehouse receipts.*—When premiums are paid in wheat, such payments shall be made by the delivery of a negotiable warehouse receipt or some other instrument acceptable to the Corporation. Section 3 of FCI Regulations 1—Wheat 1940 gives the conditions upon which warehouse receipts may be accepted. If the warehouse receipt has been tendered by the applicant, it should be examined to see that (1) the warehouse receipt is issued to or endorsed to the applicant, (2) the warehouse receipt represents a number of bushels of wheat of the class specified by the applicant and the grade specified by the Corporation for this class for the current year's premium and (3) that the warehouse receipt is negotiable.

If it is found that the warehouse receipt does not meet the requirements set forth herein, the applicant should be advised in what manner the warehouse receipt does not conform.

If it is determined that the warehouse receipt conforms to the requirements, the endorsement of the warehouse receipt should be made in the following form:

Deliver to the Order of
The Federal Crop Insurance Corporation
and signed thereunder by all persons whose interest is being transferred.

On many forms of warehouse receipts a space is provided for certification by the holder of his ownership of the grain represented thereby and that it is free from liens and encumbrances. On such warehouse receipts each person who endorses to the Corporation must sign such statement.

2. *Sale of warehouse receipts.*—The county committee should arrange for the sale of all warehouse receipts which have been received in payment of premiums or deposited for the 1941 crop year. Warehouse receipts shall be sold as promptly as possible and the receipts therefrom must immediately be transmitted with other collections to the branch office. However, the proceeds from the sale of warehouse receipts should not be listed on Form FCI-15, but Form FCI-17 should be used for this purpose.

In view of the fact that the county committee will be in a position to know market conditions and prevailing market prices with respect to wheat in the locality, the committee will be charged with the responsibility of obtaining full market prices for wheat represented by such warehouse receipts.

At the time of making the sale, the warehouse receipts shall be endorsed either by the chairman of the county committee, the crop insurance supervisor, if any, the secretary of the county committee or the treasurer of the county committee, by signing his name and indicating his title in the following manner:

The Federal Crop Insurance Corporation

By: _____
(Signature)

(Title)

B. Prepare Form FCI-17 in quadruplicate listing the name of the State and county, and date of sale, name and address of the warehouse which issued the warehouse receipts, application numbers, the warehouse receipt numbers, date of issue specified on the warehouse receipts, the class and grade of wheat represented for each of the warehouse receipts, and the net bushels and pounds of wheat.

After the sale of the warehouse receipts has been arranged with the warehouse, the information with respect to the number of days storage in excess of the free period for any warehouse receipt, the price per bushel, the amounts, the storage rate where it applies, and less any deductions to be made for storage, shall be entered on all copies of Form FCI-17. The name of the market upon which the warehouseman bases his purchase of the grain represented by the warehouse receipts should be entered on the line following the word "basis." No handling charge should be allowed to warehousemen if sales are made at the warehouseman's current country buying price. Storage, if any, but not to exceed one-thirtieth of a cent per bushel per day, should be deducted from the gross amount of the sale. Where it is the custom of the warehouseman to allow free time, such free time should be allowed to the Corporation.

The certification by the purchaser for the purchase of the warehouse receipts on the date and for the amount as specified should then be made in the spaces provided on Form FCI-17.

The county committee should then complete the certification on the Form FCI-17 by filling in the date and the amount of the sale and signing.

The original of the Form FCI-17 shall be forwarded to the branch office with the proceeds, a copy transmitted to the State office, a copy retained in the county office, and a copy delivered to the warehouse purchasing the warehouse receipts.

The amounts received from warehouses for the sale of warehouse receipts shall be transmitted with other premium payments following the procedure set forth above.

C. Cash Items.

Receipts of premiums or the tender of deposits in cash, checks, bank drafts, or money orders shall be accepted in accordance with section 32 of FCI Regulations 1, Wheat—1940. Personal checks should be accepted only if the

county committee is reasonably certain that they will clear for payment.

All checks and drafts shall be accepted subject to collection, and premiums or deposits shall not be regarded as paid unless collection is made. If for any reason any check or draft tendered in payment of a premium does not clear for payment, the application to which such check or draft relates shall be suspended and Form FCI-18 will not be issued. No further action with respect to such application will be taken unless payment is received in the form of a money order, and provided that such payment is made before the seeding of the wheat crop or the final date established by the Corporation for the submission of applications in the area in which the farm is located, whichever occurs first.

D. Preparation of Form FCI-13, Wheat—1940, Receipt.

Prepare Form FCI-13 in quadruplicate.

Form FCI-13 is not to be issued in those cases where the premium is being paid by an advance from the Secretary.

1. Enter the State and county code and application number as shown on Form FCI-12.

2. Print or type the name and complete address of the applicant.

3. If the premium is paid by money order, bank draft, cashier's check, or personal check, indicate by check mark the manner of payment; that is, whether by money order, bank draft, cashier's check, personal check, or cash, and the amount received.

4. If the premium was paid by warehouse receipt:

- (a) Enter the date of the warehouse receipt,
- (b) The number of the warehouse receipt,
- (c) Name and address of the issuing warehouse, and

- (d) The net bushels and the class and grade of wheat.

5. Enter the number of bushels or dollars representing payment of premium for the crop year 1940 and the number of bushels or dollars

representing a deposit for the payment of future premiums.

6. At the bottom of this form, in the space provided opposite the words, "Wheat Price Card Serial No.," enter the serial number of the Wheat Price Card used in determining the cash equivalent of the premium due.

7. The person receiving the collection shall sign his name and indicate his title and the date of such collection in the appropriate spaces provided. This date of collection, of course, must be the date on which the applicant signs the application.

Cash collections shall be converted into money orders, and the money-order fees shall be paid from the funds of the local county agricultural conservation association as an expense of the crop insurance program.

E. Payment Made by Advance From the Secretary.

In the event the payment is made in the form of a request for an advance from the Secretary of Agriculture, five copies of Form ACP-100, revised, Request and Agreement for Advance for Payment of Crop Insurance Premium, shall be prepared in accordance with instructions issued by the Agricultural Adjustment Administration. In order to obtain an advance from the Secretary to pay premium it will be necessary only to execute Form ACP-100, revised, and the execution of other assignment forms is not required.

The original and two copies shall be transmitted to the State office. One copy shall be returned to the applicant and one copy shall be filed in the county office.

SECTION IV. PREPARATION OF FORM FCI-15—WHEAT 1940, TRANSMITTAL SHEET

A. Prior to the preparation of Form FCI-15, enter the State and county code and application number on Form FCI-12.

Application numbers shall be assigned consecutively in the order that Forms FCI-12 are listed on Form FCI-15.

One application number will be assigned to all applications for the same farm, and the letter "L" following the application number will indicate the application of a landlord, and the letter "T" will indicate the application of a tenant. In those cases where the applicant has 100 percent interest in the farm, no identifying letter need be added.

B. Prepare Form FCI-15 in quintuplicate as follows: 1. Enter the applicable State and county code and transmittal sheet number assigned by the county office.

(a) The transmittal sheet number shall be assigned consecutively beginning with No. 1 for the transmittal sheet for each county.

(b) Where Forms FCI-12 have been suspended, either by the county office or the State office and returned to the county office, the corrected or revised Form FCI-12 shall be listed on Form FCI-15 in the regular manner, except that Form FCI-15 shall be headed "Supplemental" and the transmittal number on which the suspended or revised Form FCI-12 was originally listed shall be used.

2. For each Form FCI-12 on which a premium has been collected, either in the form of cash, money order, bank draft, cashier's check, personal check, warehouse receipt, or advance from the Secretary, enter the following information in the respective columns:

Column 1: The application number as shown at the top of Form FCI-12.

Column 2: The name of the applicant shown in paragraph 10 of Form FCI-12. This name must also agree with the signature of the applicant as it appears in paragraph 11 of Form FCI-12.

Column 3: The total premium in bushels as shown in Column 1 of paragraph 2 of Form FCI-12.

This should also agree with the total premium in bushels shown in paragraph 13, Item *a* of Form FCI-12.

Column 4: The deposit in bushels which may be applied toward payment of the 1940 wheat crop insurance premium, as shown in Item *b* of paragraph 13 of Form FCI-12.

The deposit in bushels should agree with that shown on Form FCI-14, unless—

(a) The delivery point on Form FCI-12 differs from the shipping point on which the 1939 deposit in bushels was computed; in which case the county committee should notify the State office in order that the amount of bushels can be recomputed on the basis of the new delivery point. This recomputation will not be necessary if there is no change in freight differentials between the delivery point for 1940 and the shipping point for 1939.

(b) The class of wheat upon which the deposit was computed differs from that specified on Form FCI-12 by the applicant. In this event, the deposit shall have been recomputed and a memorandum work sheet attached to Form FCI-12 as outlined in this procedure for the entry to be made in Column *b* of paragraph 13.

Column 5: The premium due in bushels which has been determined by subtracting the 1939 deposit from the total premium for 1940.

Where Form FCI-13 indicates that a deposit for the payment of future premiums has been tendered, two entries should be made in this column, one to cover the amount of premium, and the second to cover the amount of deposit, which should be followed by the letter "D" to indicate that it is a deposit.

Columns 6, 7, 8: The cash equivalent of the premium due as shown in paragraph 13, item *g* of Form FCI-12, if paid by an advance from the Secretary or by cash, money order, check, or bank draft.

The amount in bushels if paid by a warehouse receipt or some other instrument acceptable to the Corporation. Care should be taken to indicate the manner of payment in the proper columns.

The column provided for use of the State committee may be used by the county committee in those cases where suspensions have been made in accordance with paragraph 12 of section II of this procedure. The totals shall be inserted on each Form FCI-15 in the spaces provided.

Particular care should be exercised in footing the columns headed "Payment in bushels," "Advance by Secretary," and "Cash, money order, bank draft, check," as this information is being utilized by the State offices and branch offices.

A member of the county committee or other authorized representative shall indicate his approval of Form FCI-15 by signing in the space provided. As the original of Form FCI-15 is being transmitted to the branch office directly, it will not be necessary to obtain the State office approval on the original copy of Form FCI-15.

SECTION V. DISTRIBUTION OF FORMS

The following distribution shall be made of the forms used in this procedure:

A. Form FCI-12, Wheat—1940, Application for Wheat Crop Insurance.

Original (white) forwarded to State office for transmittal to the branch office.

Copy (yellow) given to the applicant.

At the time the applicant receives a copy of Form FCI-12, he shall also receive a copy of FCI Regulations 1, Wheat—1940. Copy (green) for State office files.

Copy (salmon) retained in the county office files.

B. Form FCI-13, Wheat—1940, Receipt.

Original (white) given to the applicant at the time the premium is paid.

Copy (yellow) forwarded directly to the branch office, accompanied by all premium collections.

Copy (green) for State office files.

Copy (salmon) retained in county office files.

C. Form FCI-14, Wheat—1940, Deposits which may be Applied Toward Payment of 1940 Wheat Crop Insurance Premium.

Original (white) forwarded by branch office to the county office.

Copy (white) forwarded by branch office to the State office for filing.

Copy (white) retained in branch office files.

D. Form FCI-15, Wheat—1940, Transmittal Sheet.

Original (white) transmitted daily direct to branch office accompanied by Form FCI-13 and all premium collections.

Copy (green) forwarded to the State office at the time Forms FCI-12 are sent to the State office.

Copy (yellow) forwarded to the State office at the time Forms FCI-12 are sent to the State office and will be transmitted to the branch office with Forms FCI-12 when a copy of Form FCI-16 is received from the branch office.

Copy (salmon) retained in the county office files.

Copy (white) forwarded to State office at the time Forms FCI-12 are sent to the State office. (This copy will be corrected and returned to county office.)

E. Form FCI-16, Wheat—1940, Notification of Receipt of Collections.

Original (white) forwarded by branch office direct to the county office to be attached to the county office copy of Form FCI-15.

Copy (green) forwarded by branch office to State office. State office will release Forms FCI-12 upon receipt of this form.

Copy (yellow) retained in the branch office files.

F. Form FCI-17, Wheat—1940, Certification of Sale of Warehouse Receipts.

Original (white) forwarded daily direct to the branch office accompanied by proceeds of sale of warehouse receipts.

Copy (yellow) retained by warehouseman purchasing the warehouse receipts.

Copy (green) sent to the State office for filing.

Copy (salmon) retained in the county office files.

G. Form FCI-18, Wheat—1940, Notice of Acceptance.

Original (white) sent to the applicant by the branch office.

Copy (yellow) retained in branch office files.

Copy (green) forwarded by branch office to State office for filing.

Copy (salmon) will be forwarded by branch office to the State office for forwarding to county office, where it shall be attached to county office copy of Form FCI-12.

SECTION VI. APPLICATIONS SUSPENDED BY THE STATE OFFICE

All corrections or revisions made by the State office will be indicated on the white copy of Form FCI-15, and this copy will be returned to the county office in order that the applicant may be advised in those cases where he is affected by the changes. It is further suggested that suspended Forms FCI-12 be transmitted to the county office with a corrected copy of Form FCI-15.

Suspended Forms FCI-15 will be accompanied by a memorandum outlining the necessary corrections or revisions that are to be made by the county office. Such corrections or revisions shall be made on Form FCI-12 by lining out the incorrect figure and inserting the corrected figure. The applicant shall initial the revision or correction.

If additional premium is due, it shall be collected as soon as possible. The cash equivalent of any additional payment supplementing a premium payment shall be determined by multiplying the number of bushels of wheat of the applicable class and grade constituting such additional payment, *by the price of such wheat used for the computation of the original premium payment*. Any refunds will be made after the State office has forwarded the Form FCI-12 to the branch office and the branch office has accepted the Form FCI-12. Supplemental premium collections shall be listed on Form FCI-15, indicating the original transmittal sheet number and receipt number. Such transmittal sheets should be plainly marked "Supplemental collections" at the top of Form FCI-15, and the collections forwarded directly to the branch office.

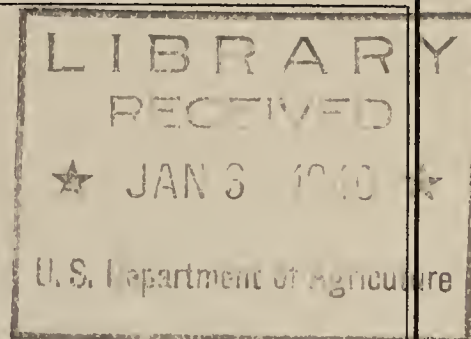
The distribution of the supplementary Form FCI-15 is to be made in accordance with paragraph D of section V above.

SECTION VII. NOTIFICATION OF RECEIPT OF PREMIUM COLLECTION

Upon receipt of the original (white) copy of Form FCI-16, attach to the county office copy of Form FCI-15, which bears the same transmittal sheet number as indicated on Form FCI-15. Note the exception(s) listed on this form and make the necessary corrections on all county office forms affected by such changes.

SECTION VIII. NOTICE OF ACCEPTANCE

Upon receipt of a copy of Form FCI-18, attach this form to the county office copy of Form FCI-12.



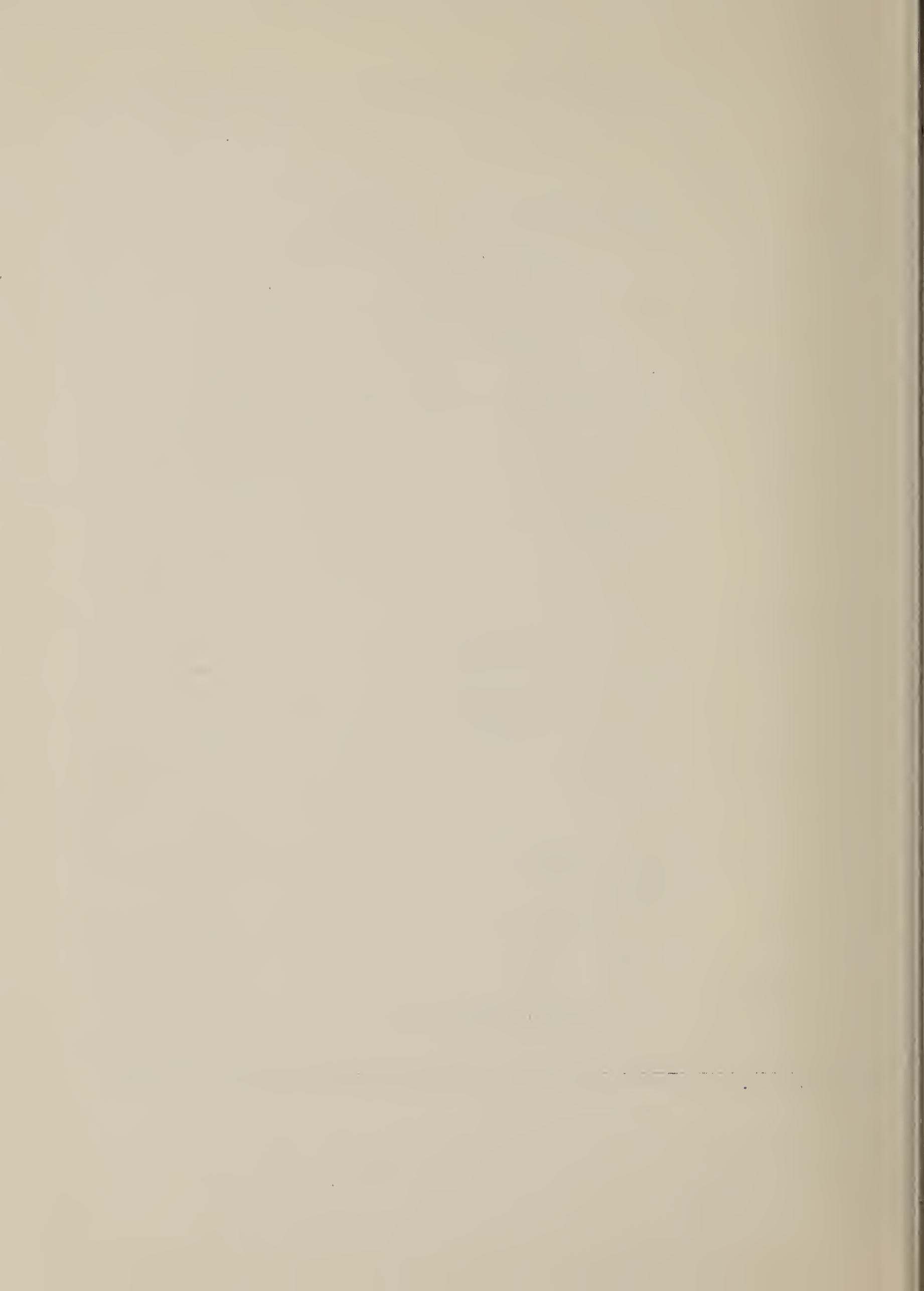
SECTIONS IX AND X OF THE COUNTY APPLICATION PROCEDURE

WHEAT CROP INSURANCE



UNITED STATES DEPARTMENT OF AGRICULTURE
FEDERAL CROP INSURANCE CORPORATION
WASHINGTON, D. C.

Issued September 12, 1939



SECTIONS IX AND X OF THE COUNTY APPLICATION PROCEDURE

SECTION IX. ASSIGNMENTS

A. Form FCI-20, Wheat—1940, Collateral Assignment, hereinafter designated as Form FCI-20, and Form FCI-21, Wheat—1940, Transfer of Interest, hereinafter designated as Form FCI-21, are prescribed by the Corporation for use in all cases where assignments are being made. An advance from the Secretary to pay the premium for any insurance contract is not to be considered as an assignment. Whenever the premium for an insurance contract has been paid by means of an advance from the Secretary, any assignment made in connection therewith shall be subject to deduction for the repayment to the Secretary of the unrecovered amount advanced. The approval of an assignment by the Corporation does not create in the assignee any right other than that derived from the assignor. Only one collateral assignment will be recognized in connection with any insurance contract.

A wheat-crop insurance contract may be assigned—

1. As collateral security for a loan.
2. For the amount of the current year's rental due under a leasing agreement with respect to the farm upon which the insured crop is or will be seeded, or for the amount of the current annual installment due under a purchase, mortgage, or trust agreement with respect to the farm upon which the insured crop is or will be seeded, and an additional amount of any delinquency which may be due under the purchase, mortgage, or trust

agreement of not to exceed the amount of the current annual installment including interest and taxes.

3. Before the time of loss and before the crop is harvested in connection with the voluntary transfer by the insured of all or part of his interest in the entire insured crop.

B. Signatures.

All signatures and evidence of authority relative thereto shall be in accordance with the procedure for the county agricultural conservation association as outlined in Form ACP-16, Instructions on Signatures and Authorizations.

In those cases where the county committee is not absolutely certain that the person signing the assignment form has authority to act, it is suggested that evidence of authority be obtained and filed in the county office. In case any notice of acceptance is, or will be, issued in the names of two or more persons jointly, and the insurance contract is assigned, Forms FCI-20 or Forms FCI-21, whichever is applicable, shall be executed by each such person.

Form FCI-20, Wheat—1940, Collateral Assignment

C. Purpose.

Form FCI-20 shall be used where the insurance contract is being assigned as collateral security for a loan, the amount of the current year's rental due under a leasing agreement with respect to the farm upon which the insured crop is or will be seeded, or the amount of the current annual installment due under a purchase, mortgage, or trust agreement with respect to the farm upon which the insured crop is or will be

(1)

seeded and an additional amount of the delinquency which may be due under the purchase, mortgage, or trust agreement of not to exceed the amount of the current annual installment including interest and taxes.

D. Limitation.

Only one collateral assignment will be recognized in connection with an insurance contract. A release, however, may be executed for a collateral assignment previously filed and a new one may be executed in favor of the original assignee or another.

E. Approval.

The approval of Form FCI-20 by the Corporation will be evidenced by the signature of the manager and the counter-signature of a duly authorized representative of the Corporation. The Corporation's approval of an assignment shall not create in the assignee any right other than that derived from the assignor.

F. Execution.

The following information shall be inserted on five copies of Form FCI-20:

1. The State and county code and application number.

2. The typed or printed name of the assignor and his full mail address.

Determine that the name and address of the assignor are the same as that shown on Form FCI-12 and Form FCI-18, if issued.

3. The names of the county and State in which the assignor makes his residence.

4. The amount of the cash consideration.

5. The typed or printed name of the assignee and his full mail address.

6. The names of the county and State in which the assignee makes his residence.

7. The signature of the assignor.

This signature must agree with the signature of the applicant appearing on Form FCI-12.

8. Signature of the person witnessing the signature of the assignor.

9. The date Form FCI-20 is signed by the assignor.

10. The signature of the assignee.

11. The signature of the person witnessing the signature of the assignee.

12. The date Form FCI-20 is signed by the assignee.

All signatures should be witnessed by a disinterested person, preferably a member of the county committee.

13. A member of the county committee shall insert the date and hour that the assignment was filed in the county office and affix his signature.

G. Distribution.

The original and four copies of Form FCI-20 shall be transmitted to the State office for forwarding to the branch office of the Corporation.

When Form FCI-20 is approved by the duly authorized representative of the Corporation, four copies will be forwarded to the State office. The State office will forward three copies to the county office.

Upon receipt of the three copies from the State office, the county office will transmit one copy to the assignor, one copy to the assignee, and the third copy shall be retained in the files of the county office.

H. Release of Assignment.

When the indebtedness in respect to which the assignment was given is paid or otherwise discharged, prior to the time a refund or indemnity payment is made by the Corporation to the assignor, a memorandum of release shall be executed in writing, setting forth the name of the assignor and his full address and the place and date of execution. Such memorandum must be signed by the assignee in the presence of a disinterested person who shall sign the memorandum as a witness to the assignee's signature. In the event of the death, incompetency, insolvency, or bankruptcy of the assignee, the release memorandum must be executed by the person or persons authorized by law to administer the personal estate of the assignee. Proper evidence of the authority of such person or persons must be presented in accordance with Form ACP-16.

Upon execution of a release, it should be delivered to the committee for the county in which the farm covered by the insurance contract is located for transmission to the State office for forwarding to the branch office of the Corporation.

If at the time of loss there has not been a termination of an existing assigned insurance contract, and the indebtedness has been liquidated in whole or in part, the assignee shall execute the original and four copies of part II, Representations of Assignee, of Form FCI-20, indicating therein the amount of indebtedness still undischarged by the assignor. The distribution of Form FCI-20 in those cases where part II has been executed shall be as follows:

The original forwarded to the State office for transmittal to the branch office of the Corporation, a copy forwarded to the State office for filing, a copy transmitted to the assignor, a copy transmitted to the assignee, and a copy filed in the county office.

I. Form FCI-21, Wheat—1940, Transfer of Interest.

Five copies of Form FCI-21 shall be prepared (before the time of loss) only in connection with the voluntary transfer by the insured of all or part of his interest in the entire insured crop before the crop is harvested.

Form FCI-21 is subject to the approval of the Corporation and in no case shall the Corporation be bound to accept notice of any assignment of the insurance contract, and nothing herein contained shall give any right against the Corporation to any person other than the insured, except to an assignee approved by the Corporation. A transfer made in order to forestall loss of the property covered by the insurance contract by operation of law shall not be regarded as a voluntary transfer. Whenever a collateral assignment has been approved by the Corporation, a subsequent transfer of interest will be approved subject to the provisions and conditions of the collateral assignment.

J. Execution.

The following information shall be inserted on five copies of Form FCI-21:

1. The State and county code and application number.
2. The typed or printed name of the assignee and his full mail address.
3. The percent of interest in the entire insured crop covered by the wheat crop insurance contract which is being assigned.

Example 1.—A is the owner-operator of a farm and therefore has a 100-percent interest in the insured crop on which he desires to transfer to B his entire interest.

Enter 100 percent in part I of Form FCI-21.

Example 2.—B is the landlord of a rented farm with a 40-percent interest in the insured crop and is selling one-half of his interest to C.

Enter 50 percent in part I of Form FCI-21.

Example 3.—A, the cash tenant of a farm with two-thirds interest in the wheat crop, desires to transfer to B 25 percent of his interest in the insured crop.

Enter 25 percent in part I of Form FCI-21.

4. The county and State names in which Form FCI-21 was executed by the assignor.
5. The signature of the assignor.
6. The date Form FCI-21 is signed by the assignor.
7. The signature of a disinterested person as a witness to the signature of the assignor.
8. The names of the county and State wherein the assignee affixed his signature.
9. The signature of the assignee.
10. The date Form FCI-21 is signed by the assignee.
11. The signature of a disinterested person as a witness to the signature of the assignee.
12. A member of the county committee shall execute the certification contained in part II and shall affix his signature.

K. Approval.

The approval of Form FCI-21 by the Corporation will be evidenced by the signature of the manager and the countersignature of a duly authorized representative of the Corporation in part III.

L. Distribution.

The original and four copies of Form FCI-21 shall be transmitted to the State office for forwarding to the branch office of the Corporation.

When part III of Form FCI-21 is executed by the duly authorized representative of the Corporation, four copies will be forwarded to the State office. The State office will forward three copies to the county office.

Upon receipt of the three copies from the State office, the county office will transmit one copy to the assignor, one copy to the assignee, and the third copy shall be retained in the files of the county office.

M. Effect of Assignments.

All assignments shall be subject in all respects to the provisions of the insurance contract.

SECTION X. NOTICE OF SEEDING

A. Form FCI-19, Wheat—1940, Notice of Seeding, hereinafter designated as Form FCI-19, is prescribed by the Corporation, pursuant to the provisions of section 52 of FCI—Regulations 1—Wheat—1940, 1940 Wheat Crop Insurance Regulations, as the form to be used for the purpose of indicating the acreage seeded to wheat on the farm and any change from the acreage and practices specified in Form FCI-12. The adjustment of the total insured production under the insurance contract, pursuant to subsections (a) and (b) of section 51 of the regulations, will be made on the basis of Form FCI-19. A properly executed Form FCI-19 must be submitted in connection with each application. The applicant's copy of Form FCI-19 shall be forwarded to the State office for verification. The State office shall make the necessary corrections on Form FCI-19 except that no changes should be made in

the producer's representations as to the practices and the total acres seeded for harvest as grain as shown by columns A and B, part I, of Form FCI-19. The applicant's copy of Form FCI-19 shall be returned to the county committee for transmittal to the applicant.

Where the acreage is shown by column C, part I, of Form FCI-19 exceeds the acreage used for the computation of premium, as shown by column E, paragraph 2, of Form FCI-12, and does not exceed the acreage allotment or permitted acreage, the insured should be notified by the county committee that if he wishes to obtain additional insurance, the insured shall submit a revised Form FCI-12, Wheat—1940, Application for Wheat Crop Insurance, before the submission of Form FCI-19 or at the time Form FCI-19 is submitted. When this revised Form FCI-12 is executed, the county committee shall determine that—

1. The word "Revised" is inserted at the top of Form FCI-12 immediately preceding the heading, "Application for Wheat Crop Insurance."

2. The State and county code and application number are the same as those used on the original Form FCI-12.

3. The date of signing in paragraph 11 of Form FCI-12 is the date on which the revised Form FCI-12 is signed by the applicant.

4. The price used in the computation of the additional payment required is the price that was used in making the computation of the cash equivalent on the original Form FCI-12.

The county office copy of revised Form FCI-12 should be filed with the original Form FCI-12 in the county office.

If all or a portion of the premium was paid by means of Form ACP-100, revised, it will not be necessary to collect additional premium or to execute a supplemental Form ACP-100, revised, but the county committee should prepare a memorandum stating that the estimated net payment earned or to be earned under the

1940 Agricultural Conservation Program will equal or exceed the cash equivalent of the premium due as shown by item g, paragraph 13, of the revised Form FCI-12. This memorandum shall be signed by a county committeeman and the original shall be attached to the original of the revised Form FCI-12 and a copy shall be attached to the State office copy of the revised Form FCI-12 when these forms are transmitted to the State office. A copy of this memorandum shall also be attached to the county office copy of Form FCI-12. In the event the county committee determines that the estimated net payment earned or to be earned under the 1940 Agricultural Conservation Program will *not* equal or exceed the cash equivalent of the premium due, as shown by the revised Form FCI-12, paragraph 12 of Form FCI-12, Certificate of County Committee, shall not be executed unless the applicant pays the additional premium required by cash, check, money order, bank draft, or warehouse receipt. Form FCI-13 should be prepared in those cases where the additional premium is paid by cash, check, money order, bank draft, or warehouse receipt. In the event that the insured wishes to apply toward the payment of the additional premium required, all or a portion of his deposit for payment of future premiums tendered with the original premium payment, a memorandum shall be attached to each copy of the revised Form FCI-12 setting forth this fact.

All revised Forms FCI-12, regardless of the method of payment, shall be listed on Form FCI-15 in accordance with section IV of this procedure, and transmitted to the State office prior to or simultaneously with the transmittal of Forms FCI-19 and Forms FCI-22 to the State office. As outlined hereinbefore, the original copy of Form FCI-15 accompanied by Forms FCI-13, and cash premium collections, shall be forwarded daily direct to the branch office. Form FCI-18 will be issued by the branch office of the Corporation for each revised Form FCI-12.

All Forms FCI-19 shall be retained in the county office until the work in connection with

the measurement of the seeded acreage is completed. Form FCI-22, Wheat—1940, Transmittal Sheet—1940 Wheat Notices of Seeding, hereinafter designated as Form FCI-22, shall accompany Forms FCI-19 when they are submitted to the State office for forwarding to the branch offices of the Corporation. When the measurement of the seeded acreage is completed, every application number for the Forms FCI-12 submitted by the county office on Form FCI-15 shall be listed on Form FCI-22 in the proper numerical order by application number even though Form FCI-19 has not been completely executed because it was not possible to obtain the signature of the insured on Form FCI-19 or for any other reason. In preparing Form FCI-22 where there are landlord and tenant applications for the same farm, insert after the application number the letter “T” or the letter “L” taking care to list the “T” application first and the “L” application on the next succeeding line. Where Form FCI-19 has been completely executed, the information to be listed on Form FCI-22 shall be obtained from Form FCI-19. However, in those cases where Form FCI-19 has not been completely executed, the crop insurance application number should be indicated in column A in its proper numerical order, but the information in columns C, D, E, F, G, and H of Form FCI-22 shall be obtained from the county office copy of the original Form FCI-12.

B. Preparation of Form FCI-19.

The following information shall be inserted on the original and three copies of Form FCI-19:

1. Enter the State and county code and application number.

This number should agree with that shown on Form FCI-12, and Form FCI-18, if this form has been issued.

2. Enter in column A of part I:
 - (a) Where the Yield and Rate Procedure for special practices has been followed in the county, list in column A the practices followed on the farm. In the event that

separate yield and premium rates have not been established for the farm in a special practice county, the word "General" should be inserted in this column.

3. Enter in column B the acreage seeded to wheat for harvest as grain on this farm.

(a) Where special practices are being followed, enter the number of acres seeded under each special practice opposite each item listed in column A.

4. Enter in column C the number of acres used for computation of premium.

(a) The entry in this column should be the same as in column B, unless the entry in column B is more than the wheat acreage allotment or permitted acreage, as shown in paragraph 1 of Form FCI-12 in which event the entry in column C should be the acreage allotment or permitted acreage except in those cases where a memorandum has been attached in accordance with the procedure set forth for case 5 of section II of this procedure.

If the wheat acreage allotment has been increased after Form FCI-12 has been executed and submitted to the State office, additional insurance may be requested based on the *increased* allotment. If, however, the acreage allotment has been *decreased* after Form FCI-12 has been executed and submitted to the State office, the acreage used for the computation of premium as shown in column E, paragraph 2, of Form FCI-12 shall not be reduced to conform with the corrected acreage allotment, but column C, part I, of Form FCI-19 shall be based on the allotment as shown on Form FCI-12 or the seeded acreage, whichever is smaller. The State office may authorize that the acreage used for the computation of premium be reduced to conform to the corrected acreage allotment in those cases where the State office has not approved Form FCI-12 for issuance of the notice of acceptance.

(b) Where the acreage seeded to wheat for harvest as grain as shown in column B exceeds the acreage used for computation of premium as shown in column E, paragraph 2, of Form FCI-12, and the insured does not wish to obtain additional insurance, the entry in column C should be the acreage for the computation of premium as shown in column E of Form FCI-12.

(c) If the entry in column C, part I, of Form FCI-19 is the same as the entry in column E, paragraph 2, of Form FCI-12, it will not be necessary to compute column G, Insured Production, and column I, Premium, of Form FCI-19, as this information shall be obtained from paragraph 2 of Form FCI-12. The entries in part I of Form FCI-19 must agree with the corresponding entries appearing in paragraph 2 of Form FCI-12.

(d) Where Forms FCI-12 were prepared on the basis of special practices, the entries in column C shall be the same as in column B, provided that the sum of the entries in column B are equal to or less than the 1940 wheat-acreage allotment or permitted acreage as shown in paragraph 1 of Form FCI-12. In the event that the number of acres indicated in column B is greater than the 1940 wheat-acreage allotment or the permitted acreage, the acreages for each special practice appearing in column B shall be adjusted proportionately so that the total number of acres appearing in column C shall be equal to the 1940 wheat-acreage allotment or permitted acreage. The acreage as shown in column C for each of the special practices shall bear the same relationship to the acreage shown in column B for the special practice that the acreage allotment or permitted acreage bears to the total acres seeded for harvest as grain as shown in column B. This adjustment of the acreage appearing in column B, part I, of Form FCI-19, is subject to the stipulations of item 4 (a) above with regard to the decrease in the acreage allotment after

Form FCI-12 has been executed and submitted to the State office.

Example.—The 1940 wheat acreage allotment for the farm is 100 acres, and the applicant has indicated in columns A and B that he is planting 80 acres to wheat on summer fallow and 30 acres on continuous cropping. The entry in column C shall be 100/110 of 80, or 72.7 for summer fallow, and the entry in column C shall be 100/110 of 30 or 27.3 acres for continuous cropping.

5. Enter in column D the adjusted average yield for the farm as finally approved by the Corporation. This entry shall be the same as column B; paragraph 2, of Form FCI-12.

6. Enter in column E the percent insurance as shown by column C, paragraph 2, of Form FCI-12.

7. Enter in column F the applicant's interest in the wheat crop as shown by column F, paragraph 2, of Form FCI-12.

8. Enter in column G the product of the number of acres used for the computation of premium, the adjusted average yield for the farm, the percent insurance, and the applicant's interest in the wheat crop. ($C \times D \times E \times F$.)

In making this computation, round to whole bushels after each computation. For instance, multiply C times D and round to whole bushels; multiply the result in whole bushels by E and round to whole bushels; multiply this result by F and round to whole bushels to obtain the entry for column G.

If more than one farming practice is shown in column A, compute the insured production for each practice as outlined above.

The total of the figures appearing in column G should be entered at the bottom of this column.

If the entry in column C, part I, of Form FCI-19 is the same as the entry in column E, paragraph 2, of Form FCI-12, it will not be necessary to compute column G, Insured Production, of Form FCI-19, as this information

should be obtained from paragraph 2 of Form FCI-12.

9. Enter in column H the premium rate per acre for the farm as finally approved by the Corporation. This entry should agree with column H, paragraph 2, of Form FCI-12.

10. Enter in column I the product of the number of acres used for computation of premium, the premium rate per acre, and the applicant's interest in the wheat crop ($C \times H \times F$).

(a) In making this computation, multiply entry in column C by entry in column H and round the result to the nearest whole bushel; multiply the result by column F and round the result to the nearest whole bushel.

(b) If more than one farming practice is shown in column A, compute the premium for each special practice as outlined above.

(c) If any premium rate in column H is less than the minimum (0.5 bushel for 75 percent insurance and 0.3 bushel for 50 percent insurance) determine that the sum of the entries in column I for all special practices exceeds the result obtained by multiplying the total of column C by the minimum premium rate and such result multiplied by column F. If the sum of the entries in column I does not exceed such result, delete the total at the foot of column I and enter the result computed by using the minimum rate.

11. Enter the address of the insured.

12. Enter the printed or typed name of the insured.

(a) This name should agree with the name appearing in paragraph 10 of Form FCI-12.

(b) Where Form FCI-21 has been executed, the name to be inserted should be the name of the assignee appearing in part I of Form FCI-21.

13. The insured shall sign in the space provided.

(a) This signature must agree with the signature appearing in paragraph 11 of Form FCI-12.

(b) Where Form FCI-21 has been executed, the signature to be inserted should be the signature of the assignee appearing in part I of Form FCI-21.

(c) In case of death, disappearance, or incompetency of the insured, the signature shall be affixed and authorization submitted in accordance with ACP-16, Instructions on Signatures and Authorizations.

14. Enter the date of signing by the insured.

15. If approved, the county committee shall execute Part II, Certification by County Committee.

16. *Part III. Computation of Cash Equivalent of Premium.*—The county committee shall make entries and computations in part III in the following manner:

(a) Enter in item *a* the total premium as shown in column I, part I, of Form FCI-19.

(b) Enter in item *b* the 1939 deposit in bushels and pounds to be applied as payment of the 1940 premium on this application in accordance with the instructions contained in paragraph F below.

(c) Enter in item *c* the balance of the premium due by deducting the bushels and pounds representing the 1939 deposit being applied toward payment of the 1940 premium on this application as shown in item *b* from the total premium in bushels shown in item *a*.

The balance of the premium due shown in item *c* shall be rounded to whole bushels.

In the event the bushels and pounds representing the 1939 deposit is sufficient to pay the 1940 premium as shown in item *a*, enter the word "None" in item *c*. However, where the applicant has tendered a deposit for payment of future premiums, the amount of this deposit in bushels should be shown in item *c*.

(d) Enter in item *d* the net price per bushel as shown in item *f*, paragraph 13, of Form FCI-12.

(e) Enter in item *e* the computation of the cash equivalent of the premium due by multiplying the balance of the premium due as shown in item *c* by the net price per bushel shown in item *d*.

Indicate by checkmark the manner of payment; that is, whether an ACP advance, cash, or warehouse receipt. In the event that payment is made partly by ACP advance, and partly by cash, or warehouse receipt, place a checkmark in each of the blocks setting forth the manner of payment.

C. Preparation of Form FCI-22.

All Forms FCI-19 shall be retained in the county office until the work in connection with the measurement of the seeded acreage is completed. Form FCI-22 shall accompany Forms FCI-19 when they are submitted to the State office for forwarding to the branch offices of the Corporation. When the measurement of the seeded acreage is completed, every application number for the Forms FCI-12 submitted by the county office on Form FCI-15 shall be listed on Form FCI-22 in the proper numerical order by application number even though Form FCI-19 has not been completely executed because it was not possible to obtain the signature of the insured on Form FCI-19 or for any other reason. In preparing Form FCI-22 where there are landlord and tenant applications for the same farm, insert after the application number the letter "T" or the letter "L" taking care to list the "T" application first and the "L" application on the next succeeding line. Where Form FCI-19 has been completely executed, the information to be listed on Form FCI-22 shall be obtained from Form FCI-19. However, in those cases where Form FCI-19 has not been completely executed, the crop insurance application number should be indicated in column A in its proper numerical order, but the information

in columns C, D, E, F, G, and H, of Form FCI-22 shall be obtained from the county office copy of the original Form FCI-12.

The county committee shall prepare the original and five copies of Form FCI-22 inserting the following information:

1. The State and county code.
2. The transmittal sheet number.

The transmittal sheet number shall be assigned consecutively beginning with "1" for the first Form FCI-22 for each county.

3. The date of preparation of Form FCI-22.
4. Column A should show the application numbers in their proper numerical order listing the "T" application first and the "L" application on the next succeeding line.

5. In column B the ACP farm serial number.

6. In column C the name of the applicant as shown in part I of Form FCI-19.

7. In column D the insured production as shown in column G, part I, of Form FCI-19.

8. In column E the premium in bushels as shown in column I, part I, of Form FCI-19.

9. In column F the 1939 deposit in bushels and pounds applied as shown by item *b*, part III, of Form FCI-19.

10. Enter in column G the cash equivalent of the premium due as shown by item *e*, part III, of Form FCI-19 for those applications where payment was made by an advance from the Secretary.

11. Enter in column H the cash equivalent of the premium due as shown by item *e*, part III, of Form FCI-19 if payment was made by cash, check, money order, bank draft, or warehouse receipt.

In the event that payment has been made in part by cash and in part by an advance from the Secretary, the representative portion shall be indicated in the proper columns under "Cash equivalent." In all other cases for any one application, if there is an entry in column G, that entry should not appear in column H and vice versa.

12. Enter in column I the deposit in bushels for payment of future premiums.

13. Total columns D, E, F, G, H, and I for each Form FCI-22. It will not be necessary to carry these totals forward from one Form FCI-22 to the next succeeding Form FCI-22.

14. A member of the county committee shall indicate his approval of Form FCI-22 by signing in the space provided.

D. Distribution of Forms.

In transmitting Forms FCI-19 and Forms FCI-22 to the State offices, the county office copy of each of these forms should be retained in the county office, but the remaining copies and the carbons should remain intact when they are transmitted to the State office in order that all changes made on the original of each of these forms might be reflected on all the remaining copies.

1. Form FCI-19, Wheat—1940, Notice of Seeding.

Original (white) forwarded to the State office for transmittal to the branch office.
Copy (yellow) forwarded to the State office for review.

This copy is to be returned by the State office to the county office for transmittal to the applicant.

Copy (green) to be forwarded to the State office for filing.

Copy (salmon) to be retained in the county office files.

2. Form FCI-22, Wheat—1940, Transmittal Sheet—1940, Wheat Notices of Seeding.

Original (white), copy (green), two copies (yellow), and copy (white) transmitted to the State office at the time Forms FCI-19 are sent to the State office. The original and one (yellow) copy will be transmitted by the State office to the branch office of the Corporation.

Copy (salmon) retained in the county office files.

E. Premium Paid by an Advance From the Secretary.

In the event that payment was made in the form of a request for an advance from the Secretary of Agriculture, Form ACP-100, revised,

shall be handled in accordance with the procedure of the Agricultural Adjustment Administration.

F. Disposition of 1939 Deposits.

All 1939 deposits will be applied toward payment of the 1940 crop insurance premiums on all Forms FCI-12 submitted by the applicant entitled to the 1939 deposit. Where the amount of the 1939 deposit exceeds the total 1940 premiums for all Forms FCI-12, the applicant should have submitted with his application a memorandum indicating whether or not this excess deposit should be refunded or redeposited toward payment of future premiums. If this memorandum has not been submitted, the county committee should request the applicant to submit this memorandum with Form FCI-19.

In the event that the applicant does not attach such a memorandum, the excess 1939 deposit will be refunded when Form FCI-19 is received by the branch office of the Corporation.

In preparing Form FCI-19, indicate in part III, item *b*, the 1939 application number and only the bushels and pounds applied to the payment of the 1940 premium on the particular application.

In no event should the 1939 deposit applied, as shown in item *b* of part III, exceed the premium due as set forth in item *a* of part III.

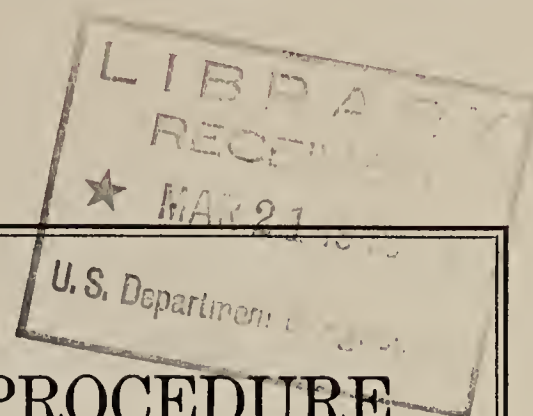
The amount of the deposit shown in item *b* of part III should be obtained from the copy of Form FCI-14 on hand in the county office. In those cases in which item *b*, paragraph 13, of Form FCI-12 shows that the total premium was paid by means of a deposit and column C of Form FCI-19 shows a smaller acreage than column E, paragraph 2, of Form FCI-12, deter-

mine whether the depositor has filed other Forms FCI-12 on which the balance of the deposit may be applied. If the amount of the 1939 deposit for any applicant exceeds the total of the premiums due on all Forms FCI-12 for such applicant, a memorandum should be submitted indicating the disposition of the excess 1939 deposit as outlined above.

Place a notation on Form FCI-14 in the column headed "Remarks," indicating the 1940 application number to which the deposit is being applied and the amount of the deposit applied in bushels and pounds. This notation is to appear only on the county copy of the Form FCI-14 for the purpose of assisting the county in the proper application of the 1939 deposits.

In the event that the delivery point on Form FCI-12 differs from the shipping point on which the 1939 deposit in bushels and pounds was computed or the class of wheat upon which the deposit was computed differs from that specified on Form FCI-12, a "Work Sheet for Recomputation of Deposit" should have been prepared by the county committee and attached to the county office copy of Form FCI-12 at the time that such Form FCI-12 was originally submitted.

Where the local station on which the 1939 deposit has been computed differs from the local delivery point specified on Form FCI-12 or the class of wheat designated on Form FCI-12 differs from that used for the 1939 crop year and a "Work Sheet for Recomputation of Deposit" has not been prepared, the county committee shall prepare this work sheet in accordance with the instructions contained on page 13, section II, of the county application procedure, FCI-11-wheat 1940.



COUNTY YIELD AND RATE PROCEDURE

1941 WHEAT CROP INSURANCE PROGRAM

County Procedure for 1941 Farm Wheat Yields

AGRICULTURAL CONSERVATION
PROGRAM



UNITED STATES DEPARTMENT OF AGRICULTURE

FEDERAL CROP INSURANCE CORPORATION

AGRICULTURAL ADJUSTMENT ADMINISTRATION

WASHINGTON, D. C.

Issued February 1940

COUNTY YIELD AND RATE PROCEDURE

GENERAL

IN determining the 1941 wheat yields and premium rates for individual farms it is necessary first to obtain two sets of figures:

1. The yield and premium rate for the farm for the 1940 program, as approved for use on the 1941 listing sheet. (See section I.)
2. The wheat yield for the farm for the crop year 1939. (See section II.) (This yield will also serve as a basis for determining the crop loss experience for 1939.)

It is important that great care be used in obtaining these figures, since it is contemplated they will be included in the determination of yields and rates in future years. Combining the yield or loss for each successive year with the existing average yield and premium rate will bring in the influence of the production on the farm from year to year.

SECTION I

Reexamination of 1940 Yields and Premium Rates

A. Yield and premium rate review.—The yields and premium rates (for 75 percent insurance) established for 1940 for all wheat farms should be studied carefully by the county committee to determine whether or not the yield and rate relationships between farms in the county are satisfactory. This analysis should reveal the kind and extent of revisions needed in yields and rates established for 1940 before they are used on the 1941 listing sheet.

This review should include farms listed on the key farm listing sheets, the appraised farm listing sheets, the historical farm listing sheets, and supplementary listing sheets, and also includes farms that have been combined or divided.

B. Kind and extent of revisions that may be necessary.—

1. Revision of yields and rates for a small proportion of the farms: Changes in yields and rates for a small number of farms should be made under the procedure already established in Form FCI-1-Wheat 1940, "County Yield and Rate Procedure." If only a small proportion of the yields and rates for the county are revised, such yields and rates with identifying numbers shall be listed on a form (prepared in triplicate) similar to the suggested form shown on page 3. Two copies of this form shall be submitted to the State office for approval before the yields and rates are listed on the 1941 listing sheets. It is advisable that such changed yields and rates, after approval, be entered on the 1941 listing sheet (Form 103-W) in columns 10 and 18 before the yields and rates that have not been modified are copied on such sheet. If this is done there will be less chance of error.

2. Revision of yields and rates for a large proportion of the farms: Set up new listing sheets for 1940 yields and rates in accordance with Form FCI-1-Wheat 1940, "County Yield and Rate Procedure," using one or more of the following methods:

(a) Select new or additional key farms, if necessary, and rework the appraisals. If more key farms are needed than are provided for in Form FCI-1-Wheat 1940 the limits set there

may be disregarded. New county maps and dot charts should also be prepared.

(b) If key farms are satisfactory, rework the appraisals. Prepare a new dot chart for the appraised farms.

(c) If historical farms (other than key farms) are out of line, due to unreliable or inapplicable data, reexamine such farms and, if necessary, appraise yields and rates.

3. Application of a different method of factoring: Cases have arisen where it appears inequitable to use a percentage factor to bring the yields and rates into line with the county check yield or rate. If it appears that this is the case the use of a "flat" addition or subtraction (in bushels) may be applied to all farms. For example, if the weighted average of the yields established on the listing sheets is 13.4 bushels and the check yield is 13 bushels, then factoring may be performed by deducting 0.4 bushel from each yield established. The method of factoring to be used shall be decided on jointly by the State and county offices.

In many counties one or more combinations of the ways described above for revising 1940 yields and rates for use on the 1941 listing sheet may be followed.

C. *Listing of farms not included on any 1940 listing sheet.*—If certain farms will need to be listed on the 1941 listing sheets that were not included on any of the 1940 listing sheets being reviewed, a new listing sheet should be prepared for establishing 1940 yields and premium rates (75 percent insurance) for such farms. Such yields and rates should be determined, by appraisal, on the basis of the final factored yields and rates for similar farms.

D. *Factoring.*—If 1940 listing sheets are completely reworked, it will be necessary to factor to the 1940 check yield and rate as outlined in Section IV of the 1940 County Yield

and Rate Procedure. (The "flat" bushel method may be used if approved by the State office.)

If the yields and rates are changed on only a part of the farms, it will be necessary to prepare a list of changes. When this list is prepared, it should include columns not only for the original yield and rate but for their extensions, and not only for the new yield and rate but for their extensions. The extension columns should be totaled. A column should also be included for acreage used for weighting. (See example on page 3.)

If the totals of the extensions for the new yields and rates differ from the totals of the extensions for the original yields and rates to such an extent that the changes made will materially affect the final factoring to the 1941 check yields and rates, then the 1940 listing sheets as changed should be factored to the 1940 check yield and rate.

Whether they are refactored or not the 1940 yields and rates to be entered on the 1941 listing sheets should be the factored yields and rates. The factored premium rate should be used even though it is less than 0.5 bushel, the minimum premium rate.

E. *Approval.*—The 1940 yields and rates as changed must be approved before they are used on the listing sheet for 1941. Such approval should be obtained at as early a date as possible. The approval will be made by the State committee and a representative of the Federal Crop Insurance Corporation, either in the State office or in the county office. Even though no changes are made in the yields and rates as approved for the 1940 program, an approval will be required before they are used in the determination of the 1941 yields and premium rates.

SUGGESTED FORM FOR LISTING FARMS WITH CHANGED YIELDS OR RATES¹

				Yields				Premium rates—75 percent insurance			
Farm number	Acres used for weight-ing	Original key farm number	New key farm number	1940 original yield ²	1940 new yield	Extension for original yield (2×5)	Extension for new yield (2×6)	1940 original rate ²	1940 new rate	Extension for original rate (2×9)	Extension for new rate (2×10)
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
Total of extensions				120,000 160,000				2,000 1,200			

¹ This form should be prepared in triplicate, one copy to be retained in the county office and two copies to be forwarded to the State office.

² This should be the factored figure. The new yield and rate should be appraised on the basis of the factored yield and rate for the new key farm.

SECTION II

1939 Wheat Yields

The use of the 1939 yield under this procedure in arriving at the 1941 average yield for the farm makes it necessary that county committees give careful consideration to the accuracy of 1939 yield data. Wheat production figures for 1939 should be carefully reviewed before being used to compute the 1939 actual yield.

In establishing the 1939 yield, county committees should keep in mind that the check figures are compiled on the basis of threshed wheat and any increase from the actual threshed production in establishing 1939 yields will automatically result in applying a reduction factor to the yields of farms having records of actual 1939 threshed production in order that the final 1941 yield will meet the county check figure.

If the 1939 yield is to be based upon threshed wheat only the county committee will follow instructions in section II-A and enter the yield in column 11 of the 1941 listing sheet. If actual threshed wheat is to be adjusted for "matured wheat harvested as grain but not threshed or matured wheat not harvested" or for "spot losses," work sheets shall be prepared as outlined in section II-B and section

II-C and the result entered in column 12 of the listing sheet.

A. Actual 1939 yield based on threshed wheat (to be entered in column 11 of listing sheet)

The 1939 production (to be used for computing the 1939 actual yield to be entered in column 11 of the listing sheet) must include only grain actually threshed. The yield per acre should be obtained by dividing such production for the farm by the total acreage seeded for harvest as grain for the farm. The acreage seeded for harvest as grain, as used herein, shall be the acres *classified under the agricultural conservation program as acreage planted to wheat*.

County committees, with the aid of community committees, shall check the accuracy of such 1939 yield data. Total reported production may be checked by giving due consideration to such items as:

1. Threshed wheat produced as shown on Form FCI-67, "Statement in Proof of Loss."¹
2. Wheat loan for the farm.
3. Wheat loan for landlord.
4. Sales records.

¹ If a loss under the 1939 wheat insurance program was adjusted on the basis of appraised production in line 4 of Form FCI-67, but matured wheat of a smaller quantity than the appraisal was produced on such acreage in a mixture with another grain, then the quantity of such wheat actually produced shall be considered as production. If wheat actually produced was in excess of the appraisal, such production will have been included in line 1 of Form FCI-67 and no adjustment will be required.

5. Quantity of wheat needed for seed.
6. Threshed wheat fed on the farm.
7. Any other reliable information which will be of assistance in checking the accuracy of this yield.

In no case should the total production for the farm include wheat left standing in the field, wheat cut for hay, wheat pastured out either before or after maturity, or estimated production on abandoned acreage.

County committees, after reviewing the reported production and seeded acreage for the farm, shall make corrections where arithmetical errors have been made and adjustments where such are necessary to bring the yield in line with the facts. This should always be completed before the actual yield for the farm is approved by the committee.

B. Yield adjusted for matured wheat harvested as grain but not threshed or matured wheat which was not harvested (to be shown in column 12)

The appraised production of any matured wheat not harvested as grain, if such wheat

was produced on acreage seeded for harvest as grain, should be included in determining the yield per seeded acre to be shown in column 12. For farms on which a loss was indemnified in the 1939 crop insurance program, the amount of such additional production shall be the amounts shown in lines 2 and 3 of Form FCI-67-Wheat-1939, "Statement in Proof of Loss."

For other farms in the county on which an insurance loss was not paid on the 1939 crop, the appraisal of wheat matured, but not harvested, should be consistent with the appraisals made on Form FCI-67 for those farms on which a loss was paid.

Any modification of the yields shown in column 11 because of the addition of matured wheat not harvested as grain shall be entered in column 12 and shall be supported by a work sheet signed by a member of the county committee. Such work sheet shall be on a form prepared in the county office similar to the sample shown below. The work sheet shall be filed in the county office for review by the farmer fieldman and for future reference by the county committee.

County State

WORK SHEET FOR ADJUSTMENT FOR MATURED WHEAT HARVESTED AS GRAIN BUT NOT THRESHED OR MATURED WHEAT WHICH WAS NOT HARVESTED

ACP FARM NUMBER

NAME OF OWNER

NAME OF OPERATOR

	Bushels
1. Wheat production from any acreage which was threshed.....	
2. Wheat production from any acreage which was not threshed but which was otherwise harvested as grain.....	
3. Wheat production from any acreage seeded with the intention of harvesting as grain, which was not threshed, was not harvested as grain, but which, after maturity, was left standing in the field.....	
4. Total.....	
5. Acres classified under the Agricultural Conservation Program as acreage planted to wheat.....	
YIELD PER ACRE (item 4 divided by item 5).....	

Remarks: -----

Date

County Committeeman

C. Yield adjusted for a "spot loss" (to be shown in column 12)

If the 1939 yield was materially reduced by hail, fire, or migratory grasshoppers, the county committee should consider treating the loss in such yield as a "spot loss." If the risk of such loss is greater on that farm than on other farms in the county, the loss should not be considered a "spot loss" or at least not all of the loss should be so considered. Losses other than from hail, fire, or migratory grasshoppers shall not be considered a "spot loss," unless approved in advance through the State office by the Washington offices of the Federal Crop Insurance

Corporation and the Agricultural Adjustment Administration.

In every case for which an adjustment is made for a "spot loss" a work sheet shall be prepared and shall be signed by a member of the county committee. Such work sheet shall be on a form prepared in the county office similar to the sample shown below. The work sheets shall be kept on file in the county office for review by the farmer fieldmen and for future reference by the county committee. The yield after adjustment of "spot losses" is the yield that shall be entered in column 12 of the listing sheet.

County

State

WORK SHEET FOR "SPOT LOSSES"

ACP FARM NUMBER

NAME OF OWNER

NAME OF OPERATOR

Bushels

1. Actual yield for 1939 as shown in column 11-----
2. Yield for farm appearing on the 1940 listing sheet as approved for use in the 1941 program as shown in column 10-----
3. Cause of loss—underscore (hail) (fire) (migratory grasshoppers).-----
4. Yield the crop would have produced had the above loss not occurred. (Determined from knowledge of the crop or from the 1939 yield on a similar farm)-----
5. Revised yield (item 2 or item 4, whichever is smaller), or a lower yield if loss is not entirely a "spot loss"-----

Remarks:-----

Date

County Committeeman

D. Appraised yields for 1939 wheat crop (to be shown in column 12)

Actual yields will have been obtained in all cases where the producer has cooperated with the county committee in getting the 1939 yield data. It is anticipated that there will be only a relatively small number of appraisals. An

appraisal will be necessary for those farms on which no wheat was seeded for harvest in 1939 and for those farms for which a report of actual threshed production was not obtainable due to lack of cooperation by the producer, although wheat was seeded.

If no wheat was seeded on the farm, the county committee should select a similar farm

in the community for which the 1939 yield has been approved and shall appraise the 1939 yield per seeded acre on the basis of the 1939 yield for the similar farm.

In case wheat was planted on the farm, and a report of the 1939 yield was not obtainable due to lack of cooperation by the producer, the county committee shall select a similar farm in the community on which wheat was planted and grown under similar conditions and shall appraise the 1939 yield per seeded acre on the basis of the 1939 yield for the similar farm. Such appraisal shall not exceed the 1940 listing-sheet yield unless information from some other source definitely indicates that a larger yield was actually produced on the farm. Any other information available concerning the condition of the crop during the growing season should be given proper consideration in the appraisal.

If, on the farm for which the 1939 yield is to be appraised, matured wheat was produced that was not harvested as grain or a "spot loss" occurred, the appraisal should be made on the basis of a similar farm for which an adjustment had been made.

The appraised yield shall be entered in column 12 of the listing sheet and circled.

SECTION III

Preparation of 1941 Wheat Listing Sheet

The method to be used in determining the 1941 yield for the farm will be to average the 1940 listing sheet yield (as revised if necessary for the 1941 program) with the 1939 yield for the farm giving a weight of 9 to the 1940 listing sheet yield and a weight of 1 to the 1939 yield. If this plan is carried out for future years, the yields established each year will more and more reflect actual production history for the farm.

Under this plan, if the 1939 yield for a farm is zero, the decrease in yields from the 1940 listing sheet (as approved for use in the 1941 program) to the 1941 listing sheet (before factoring) will be 10 percent. As a consequence the maximum decrease that is possible

is 10 percent. It is logical therefore that the maximum increase permitted would also be 10 percent. This maximum will apply only if the 1939 yield for the farm is more than twice as large as the 1940 listing sheet yield. It is anticipated that in computing wheat yields for 1942 the limitation applied for 1941 would be disregarded except insofar as a new percentage increase limitation might be based upon the 1941 listing sheet yield.

This plan of limiting the increase in yield to 10 percent is not only consistent with the downward limitation of 10 percent but will tend to provide stability in the yields established from year to year.

The 1941 premium rate for the farm will be affected by the 1939 loss experience for such farm. The loss that would have occurred on the 1939 crop is determined by finding the amount by which the 1939 yield was less than 75 percent of the average yield established for the farm on the 1940 listing sheets (as revised if necessary for the 1941 program). It is necessary to use the yield established on the 1940 listing sheets because yields for crop insurance purposes were not established for all farms for the 1939 crop year.

To avoid the work of computing 75 percent of the 1940 yield and obtaining the loss cost by subtraction, a table has been prepared, copies of which will be available to the county office, by which the loss can readily be obtained from two figures—the 1940 adjusted average yield and the 1939 yield.

In determining the premium rate for 1941, the 1939 loss will be averaged with the 1940 premium rate giving the 1939 loss a weight of 1 and 1940 premium rate a weight of 19. The weighting of 19 to 1 for premium rates, as compared to 9 to 1 for yields, was adopted because the loss cost for the farm was averaged with the county loss cost to determine the 1940 premium rate and, consequently, the loss experience in 1939 for the farm should have only one-half as much weight in determining the 1941 premium rate as the yield experience

in 1939 should have in determining the 1941 yield for the farm. Since the 1939 loss cost will be given a weight of 1 and the 1940 premium rate a weight of 19, the maximum decrease in the rate (before factoring) will be 5 percent.

A maximum increase in the premium rate from 1940 to 1941 (before factoring) of 0.3 bushel has been established. This maximum has been established to avoid the possibility of too large a change in premium rates as the result of a loss on a single crop. If, however, the county committee believes that a greater change than 0.3 bushel is necessary to reflect the proper risk on the farm, the committee should request permission of the State office to make a greater change.

In view of the fact that very little 50-percent insurance has been written, the plan for determining the 50-percent insurance premium rate has been materially changed. All premium rates for 75-percent insurance will be established first. If applications are received for 50-percent insurance, the premium rate for 50-percent insurance will be determined as a percentage of the premium rate for 75-percent insurance. This percentage will be shown in the actuarial tables.

All premium rates for 1941 shall be rounded to 2 decimal places.

Irrigated and nonirrigated farms

Irrigated and nonirrigated farms shall both be placed on the listing sheets. If wheat is produced on both irrigated and nonirrigated portions of the same farm, the irrigated and nonirrigated portions of the farm shall be listed separately. (This procedure should not be followed in the case of wheatland that is irrigated in some years and not irrigated in other years.) The wheat acreage for the farm to be used for weighting purposes shall be divided between irrigated and nonirrigated land on the basis that the county committee determines to be the normal relationship between irrigated and nonirrigated seedings. The ACP yield shall be the weighted average of the final yields es-

tablished in column 15 for irrigated and non-irrigated land. The combined final yield figure and the total acreage for the farm should be listed on the line immediately preceding the other two listings for the farm. The total acreage figure should be circled and not included when totaling the acreage column. Yield extensions should be made only for the irrigated and nonirrigated yields and not for the combined yield.

Entries to be Made on 1941 Wheat-Listing Sheets

(See page 10 for specimen headings of 1941 wheat-listing sheet)

All entries on listing sheets shall be made in jet black ink.

Column 1—ACP farm number or work-sheet number.—The listing shall be done by ACP communities and by numerical sequence within communities. Since all farms will not be wheat farms, there will be "skips" or breaks in the numbers listed. List all farms² on which wheat was seeded for harvest in any of the years 1938, 1939, or 1940, unless otherwise provided by the Regional Director.

If irrigated and nonirrigated yields and rates are both shown on the general listing sheets for a county, the letters "I" and "NI" should follow the ACP number. This should be done not only for farms which have both irrigated and nonirrigated acreage, but should also be done for farms which are exclusively irrigated and exclusively nonirrigated. In areas where winter, spring, and durum wheat may be produced and the yields and rates are established giving consideration to only one class of wheat, the identifying letters "W," "S," or "D" should follow the ACP farm number.

² *Definition of farm.*—For the purpose of this procedure, a farm means: All adjacent or nearby farm land under the same ownership which is operated by one person, including also, any field-rented tract (whether operated by the same or another person) which, together with any other land included in the farm, constitutes a unit with respect to the rotation of crops."

Location of farm.—A farm shall be regarded as located in the county or administrative area, as the case may be, in which the principal dwelling is situated, or if there is no dwelling thereon, it shall be regarded as located in the county or administrative area, as the case may be, in which the major portion of the farm is located.

Column 2—1940 crop insurance farm number.—The 1940 crop insurance farm number will be the same as that appearing on the 1940 crop insurance listing sheets which have been approved for use in the determination of 1941 yields and premium rates. For example: K-52, A-132, or H-68.

Column 3—1941 crop insurance application number.—This column shall be left blank at the time of preparation of the listing sheet. The application number should be entered on the listing sheet prior to the transmittal of the application.

Column 4—Owner.—Enter name of person owning the farm at the time listing sheet is prepared.

Column 5—Operator.—Enter name of person operating the farm at the time the listing sheet is prepared. If the operator is the same as the owner, indicate by the word "same."

Column 6.—Enter acres in farm.

Column 7.—Enter crop land acres.

Column 8—Acreage used for weighting.—Usual wheat-acreage figures for 1941 are to be used if available for weighting purposes. These are the figures to which a factor will be applied to obtain the 1941 wheat allotment for the farm. If more desirable, the 1940 wheat-acreage allotment, or the 1940 usual acreage, may be used if authorized in advance by the State office.

Column 9—1941 wheat-acreage allotment.—This column should be left blank at the time of the preparation of the listing sheet and should be filled in after wheat-acreage allotments have been established.

Column 10—1940 listing sheet yield.—Enter the 1940 listing sheet yield as approved for use on the 1941 listing sheet.

Column 11—1939 actual wheat yield per seeded acre.—Enter in column 11 the actual 1939 yield per seeded acre as approved by the county committee. This shall be the 1939 yield for the farm obtained in the manner described in section II-A. If no figure is obtainable enter a dash.

Column 12—1939 yield if changed or appraised.—No entry shall be made in this column

except as provided in section II. Appraised yields shall be circled.

Column 13—Calculated yield.—Enter the calculated yield determined by multiplying the 1940 listing-sheet yield in column 10 by 9, adding thereto the 1939 yield in column 11 (if there is a yield shown in column 12, add instead the yield in column 12) and divide the sum by 10. A table has been prepared showing the product of 9 times possible yield figures. The table is shown on page 12 of these instructions.

Column 14—Maximum increase of 10 percent applied.—If the 1939 yield in columns 11 or 12 is more than twice the 1940 listing-sheet yield shown in column 10, enter in this column a figure 10 percent larger than the yield in column 10. Line out the calculated yield shown in column 13.

*Column 15—1941 final yield (factored).*³—Enter the factored yield. This shall be the yield in column 13 (or 14) factored to meet the county check yield, using the acreage in column 8 for weighting purposes. The factoring may be done by a percentage method or by a flat adjustment, the decision to be made jointly by the State and county offices.

EXAMPLE. METHOD OF DETERMINING THE YIELD REVISION FACTOR

A. Total of yield extensions (column 16) -----	650, 000
B. Total of acreages used for weighting (column 8)-----	40, 000
C. Weighted average of listing sheet yields (A÷B, rounded to 3 decimal places)---	16. 250
D. Check yield for 1941-----	15. 0
E. Revision factor-percentage basis (D÷C, rounded to 3 decimal places)-----	0. 923
F. Optional flat revision (D-C) (15.0- 16.250) =-----	⁴ —1. 25

³ If reliable certified yields for each of the years 1930 through 1938 are available for any farm, the 1941 normal yield of wheat for the purpose of the agricultural conservation program shall be the average of such ten certified yields adjusted for abnormal weather conditions and trends. Such normal yield shall be entered in column 15, circled in red, and shall be subject to no further adjustment. The final yield determined by the regular procedure outlined herein shall be the yield for crop insurance purposes. It shall also be entered in column 15.

If the number of farms with 10 years reliable certified yields is so large that the average of the ACP yields, after factoring, exceeds the county check yield, the county committee should request the State office for further detailed instructions.

⁴ See footnote at bottom of next page.

If the weighted average of the listing sheet yields is such that it will round to the check yield it will not be necessary to factor.

Column 16—Yield extensions.—Enter in this column the product of the yield shown in column 13 (or column 14 whenever there is an entry in column 14) multiplied by the acreage shown in column 8. If a calculating machine is used that will accumulate the extensions, it will not be necessary to enter the extension for each farm but merely the page total for the column.

Column 17—Yield appeals granted.—No entry shall be made in this column until after the listing sheets have been approved by the State committee and the Federal Crop Insurance Corporation and revised yields resulting from appeals have been granted by the county committee and approved by the State committee.

Column 18—1940 premium rate (75-percent insurance).—Enter the 1940 premium rate for 75-percent insurance as approved for the 1941 listing sheet. The factored premium rate should be entered even though it is less than 0.5 bushel, the minimum premium rate.

Column 19—1939 loss per acre (75-percent insurance).—Enter the loss per acre for the 1939 crop computed on the basis of the loss that would have occurred had the crop for 1939 been insured for 75 percent of the yeild shown in column 10. Compute 75 percent of the yield in column 10 and , if the yield for 1939 shown in column 11 (in those cases where a yield is shown in column 12 use the yield in column 12) is less than 75 percent of the yield in column 10, enter the difference as the loss per acre.

⁴ In this case the rule for rounding would make this number -1.2. This would not leave any reserve for appeals and corrections so it would be desirable to use a factor of -1.3 when revising yields to meet the county check yield. Even if this number had been somewhat less than -1.25, it would probably still be desirable to use -1.3 in order to have a sufficient reserve for appeals and corrections. Such additional margin or reserve, used under either the flat bushel method or the percentage method of factoring, shall not exceed 0.1 bushel. The reserve should be created by deducting an amount not to exceed 0.1 bushel from the county check yield when computing the factor.

A table has been prepared, a sample of which is reproduced on page 14, that shows loss costs already computed for various combinations of 1940 listing sheet yields and 1939 yields. Copies of this table are available to county offices through their State committees. (This table shows yields to the nearest half bushel. A table to the nearest tenth place would be larger and more cumbersome than the added accuracy would justify.) To use the table, take the 1940 listing sheet yield in column 10 to the nearest half bushel and find such yield at the left of the table. Next, take the 1939 yield as shown in column 11 (or column 12 if there is a yield in column 12) to the nearest half bushel and locate such yield at the top or bottom of the table. The figure opposite the yield located at the left of the table and directly under the yield located at the top of the table will be the 1939 loss per acre to be entered in column 19.

Column 20—Calculated premium rate (75-percent insurance).—Enter the calculated premium rate determined by multiplying the 1940 premium rate (column 18) by 19, adding thereto the 1939 loss per acre (column 19) and dividing the sum by 20. Figures shall be rounded to two decimal places.

A table showing the product of 19 times all possible 1940 premium rates is shown on page 13.

Column 21—Maximum increase of 0.3 bushel applied.—If the calculated premium rate in column 20 is more than 0.3 bushel in excess of the 1940 premium rate shown in column 18, the calculated premium rate shall be lined out and a rate 0.3 bushel in excess of the rate in column 18 shall be entered in column 21 unless special permission is obtained from the State office to use a higher rate for an individual farm.

Column 22—1941 final premium rate (factored) (75-percent insurance).—Enter the factored premium rate. This shall be the rate in column 20 (or 21) factored to meet the county check premium rate, using the acreage in column 8 for weighting purposes. The factoring may be by a percentage method or by a flat adjustment,

SPECIMEN HEADINGS OF 1941 WHEAT LISTING SHEET
(Form FC1-103-W)

ACP farm number or work sheet number	1940 crop insurance farm number	1941 crop in- surance appli- cation number	Owner	Operator	Acres in farm		
(1)	(2)	(3)	(4)	(5)	(6)		

Crop acres	Acreage used for weighting	1941 wheat acreage allotment	1940 listing sheet yield	1939 actual yield per seeded acre	1939 yield if changed or appraised	Calculated yield	Maximum increase of 10% applied
(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)

1941 final yield (factored)	Yield extensions	Yield appeals granted	1940 premi- um rate (75% insurance)	1939 loss per acre (75% insurance)	Calculated premium rate (75%)	Maximum increase of 0.3 bushel applied	1941 final premium rate (75%) (factored)
(15)	(16)	(17)	(18)	(19)	(20)	(21)	(22)

Minimum premium rate	Premium rate extensions	Premium rate appeals granted (75%)	Premium rate (50% insurance)					
(23)	(24)	(25)	(26)	(27)	(28)	(29)	(30)	(31)

(32)	(33)	(34)	(35)	(36)	(37)	(38)		

the decision to be made jointly by the State and county offices. Figures shall be rounded to two decimal places.

EXAMPLE. METHOD OF DETERMINING THE PREMIUM RATE REVISION FACTOR

A. Total of premium rate extensions (column 24)-----	45,000
B. Total of acreages used for weighting (column 8)-----	40,000
C. Weighted average of listing sheet rates (A÷B, rounded to 3 decimal places)---	1.125
D. Check premium rate for 1941-----	1.30
E. Revision factor—percentage basis (D÷C, rounded to 3 decimal places)-----	1.156
F. Optional flat revision (D—C) (1.30—1.125)=-----	+.175
Rounded to 2 decimal places=-----	+.17

If the weighted average of the listing sheet premium rates differs by less than 0.01 bushel from the check premium rate, it will not be necessary to factor.

Column 23—Minimum premium rate (75-percent insurance).—If the factored premium rate in column 22 is less than 0.5 bushel, enter in this column 0.5 bushel.

Column 24—Premium rate extensions.—Enter in this column the product of the rate shown in column 20 (or column 21 if there is an entry in column 21) multiplied by the acreage shown in column 8. If a calculating machine is used that will accumulate the extensions, it will not be necessary to enter the extension for each farm but merely the page total for the column.

Column 25—Premium rate appeals granted (75-percent insurance).—No entries shall be made in this column until after the listing sheets have been approved by the State committee and the Federal Crop Insurance Corporation and the revised premium rates resulting from appeals have been granted by the county committee and approved by the State committee.

Column 26—Premium rate (50-percent insurance).—This figure shall be determined by multiplying the figure in column 22 by a factor determined for the county. The factor will be shown in the actuarial tables. Figures shall be rounded to two decimal places. If little insurance on a 50-percent basis is anticipated, it will be necessary to compute the 50-percent insurance rate only when an application for 50-percent insurance is received.

If the 50-percent premium rate so computed is less than 0.3 bushel, line out the original figure computed and enter 0.3 bushel.

SECTION IV

Completion of Work in County Office

A. Submission to the State office for approval.—Upon completion of the work on the 1941 listing sheets, such sheets with an accompanying table showing the computation of the factors for revision of yields and premium rates to meet the 1941 county check figures shall be submitted to the State office for approval by the State committee and a representative of the Federal Crop Insurance Corporation.

B. Notice to wheat growers of yields and premium rates.—As soon as the approved copy of the 1941 listing sheet has been received from the State office, the county committee shall mail to each person who will have an insurable interest in a 1941 wheat crop a notice stating

the 1941 average yield and premium rate for the farm.

If no objections are received within 15 days after notices have been mailed, the county committee shall assume that such yields and rates are satisfactory. If objections are received the county committee should consider them and if revisions are warranted such revisions shall be submitted to the State office for approval.

C. Supplementary listing sheets.—Supplementary listing sheets will be prepared at a later date for new farms on which allotments will be established, for nonallotment farms on which applications for insurance are received, and for any other farms that need to be listed. Instructions for the preparation of such sheets will be issued at a later date.

SECTION V

Miscellaneous

A. Rounding.—All rounding processes in the preparation of yields and premium rates shall be performed in the following manner:

Carry the computation to one digit beyond the digit that is to be rounded. If the extra digit computed is 1, 2, 3, or 4, round downward. If the extra digit computed is 6, 7, 8, or 9, round upward. If the extra digit computed is 5, it will be necessary to carry the computation to still another digit. Then if the two extra digits are 50, the rounding shall be downward. Ignore all figures beyond the two extra digits. If the two extra digits are 51 or any higher figure, the rounding shall be upward. The following table shows certain examples:

<i>The Computation</i>	<i>Rounded Figure</i>
6. 34	6. 3
6. 36	6. 4
6. 350	6. 3
6. 351	6. 4

TABLE OF 9 TIMES YIELD

Yield	9 times yield	Yield	9 times yield	Yield	9 times yield	Yield	9 times yield	Yield	9 times yield	Yield	9 times yield
4.0	36.0	9.0	81.0	14.0	126.0	19.0	171.0	24.0	216.0	29.0	261.0
4.1	36.9	9.1	81.9	14.1	126.9	19.1	171.9	24.1	216.9	29.1	261.9
4.2	37.8	9.2	82.8	14.2	127.8	19.2	172.8	24.2	217.8	29.2	262.8
4.3	38.7	9.3	83.7	14.3	128.7	19.3	173.7	24.3	218.7	29.3	263.7
4.4	39.6	9.4	84.6	14.4	129.6	19.4	174.6	24.4	219.6	29.4	264.6
4.5	40.5	9.5	85.5	14.5	130.5	19.5	175.5	24.5	220.5	29.5	265.5
4.6	41.4	9.6	86.4	14.6	131.4	19.6	176.4	24.6	221.4	29.6	266.4
4.7	42.3	9.7	87.3	14.7	132.3	19.7	177.3	24.7	222.3	29.7	267.3
4.8	43.2	9.8	88.2	14.8	133.2	19.8	178.2	24.8	223.2	29.8	268.2
4.9	44.1	9.9	89.1	14.9	134.1	19.9	179.1	24.9	224.1	29.9	269.1
5.0	45.0	10.0	90.0	15.0	135.0	20.0	180.0	25.0	225.0	30.0	270.0
5.1	45.9	10.1	90.9	15.1	135.9	20.1	180.9	25.1	225.9	30.1	270.9
5.2	46.8	10.2	91.8	15.2	136.8	20.2	181.8	25.2	226.8	30.2	271.8
5.3	47.7	10.3	92.7	15.3	137.7	20.3	182.7	25.3	227.7	30.3	272.7
5.4	48.6	10.4	93.6	15.4	138.6	20.4	183.6	25.4	228.6	30.4	273.6
5.5	49.5	10.5	94.5	15.5	139.5	20.5	184.5	25.5	229.5	30.5	274.5
5.6	50.4	10.6	95.4	15.6	140.4	20.6	185.4	25.6	230.4	30.6	275.4
5.7	51.3	10.7	96.3	15.7	141.3	20.7	186.3	25.7	231.3	30.7	276.3
5.8	52.2	10.8	97.2	15.8	142.2	20.8	187.2	25.8	232.2	30.8	277.2
5.9	53.1	10.9	98.1	15.9	143.1	20.9	188.1	25.9	233.1	30.9	278.1
6.0	54.0	11.0	99.0	16.0	144.0	21.0	189.0	26.0	234.0	31.0	279.0
6.1	54.9	11.1	99.9	16.1	144.9	21.1	189.9	26.1	234.9	31.1	279.9
6.2	55.8	11.2	100.8	16.2	145.8	21.2	190.8	26.2	235.8	31.2	280.8
6.3	56.7	11.3	101.7	16.3	146.7	21.3	191.7	26.3	236.7	31.3	281.7
6.4	57.6	11.4	102.6	16.4	147.6	21.4	192.6	26.4	237.6	31.4	282.6
6.5	58.5	11.5	103.5	16.5	148.5	21.5	193.5	26.5	238.5	31.5	283.5
6.6	59.4	11.6	104.4	16.6	149.4	21.6	194.4	26.6	239.4	31.6	284.4
6.7	60.3	11.7	105.3	16.7	150.3	21.7	195.3	26.7	240.3	31.7	285.3
6.8	61.2	11.8	106.2	16.8	151.2	21.8	196.2	26.8	241.2	31.8	286.2
6.9	62.1	11.9	107.1	16.9	152.1	21.9	197.1	26.9	242.1	31.9	287.1
7.0	63.0	12.0	108.0	17.0	153.0	22.0	198.0	27.0	243.0	32.0	288.0
7.1	63.9	12.1	108.9	17.1	153.9	22.1	198.9	27.1	243.9	32.1	288.9
7.2	64.8	12.2	109.8	17.2	154.8	22.2	199.8	27.2	244.8	32.2	289.8
7.3	65.7	12.3	110.7	17.3	155.7	22.3	200.7	27.3	245.7	32.3	290.7
7.4	66.6	12.4	111.6	17.4	156.6	22.4	201.6	27.4	246.6	32.4	291.6
7.5	67.5	12.5	112.5	17.5	157.5	22.5	202.5	27.5	247.5	32.5	292.5
7.6	68.4	12.6	113.4	17.6	158.4	22.6	203.4	27.6	248.4	32.6	293.4
7.7	69.3	12.7	114.3	17.7	159.3	22.7	204.3	27.7	249.3	32.7	294.3
7.8	70.2	12.8	115.2	17.8	160.2	22.8	205.2	27.8	250.2	32.8	295.2
7.9	71.1	12.9	116.1	17.9	161.1	22.9	206.1	27.9	251.1	32.9	296.1
8.0	72.0	13.0	117.0	18.0	162.0	23.0	207.0	28.0	252.0	33.0	297.0
8.1	72.9	13.1	117.9	18.1	162.9	23.1	207.9	28.1	252.9	33.1	297.9
8.2	73.8	13.2	118.8	18.2	163.8	23.2	208.8	28.2	253.8	33.2	298.8
8.3	74.7	13.3	119.7	18.3	164.7	23.3	209.7	28.3	254.7	33.3	299.7
8.4	75.6	13.4	120.6	18.4	165.6	23.4	210.6	28.4	255.6	33.4	300.6
8.5	76.5	13.5	121.5	18.5	166.5	23.5	211.5	28.5	256.5	33.5	301.5
8.6	77.4	13.6	122.4	18.6	167.4	23.6	212.4	28.6	257.4	33.6	302.4
8.7	78.3	13.7	123.3	18.7	168.3	23.7	213.3	28.7	258.3	33.7	303.3
8.8	79.2	13.8	124.2	18.8	169.2	23.8	214.2	28.8	259.2	33.8	304.2
8.9	80.1	13.9	125.1	18.9	170.1	23.9	215.1	28.9	260.1	33.9	305.1

TABLE OF 9 TIMES YIELD—Continued

Yield	9 times yield	Yield	9 times yield	Yield	9 times yield	Yield	9 times yield	Yield	9 times yield	Yield	9 times yield
34.0	306.0	37.0	333.0	40.0	360.0	43.0	387.0	46.0	414.0	49.0	441.0
34.1	306.9	37.1	333.9	40.1	360.9	43.1	387.9	46.1	414.9	49.1	441.9
34.2	307.8	37.2	334.8	40.2	361.8	43.2	388.8	46.2	415.8	49.2	442.8
34.3	308.7	37.3	335.7	40.3	362.7	43.3	389.7	46.3	416.7	49.3	443.7
34.4	309.6	37.4	336.6	40.4	363.6	43.4	390.6	46.4	417.6	49.4	444.6
34.5	310.5	37.5	337.5	40.5	364.5	43.5	391.5	46.5	418.5	49.5	445.5
34.6	311.4	37.6	338.4	40.6	365.4	43.6	392.4	46.6	419.4	49.6	446.4
34.7	312.3	37.7	339.3	40.7	366.3	43.7	393.3	46.7	420.3	49.7	447.3
34.8	313.2	37.8	340.2	40.8	367.2	43.8	394.2	46.8	421.2	49.8	448.2
34.9	314.1	37.9	341.1	40.9	368.1	43.9	395.1	46.9	422.1	49.9	449.1
35.0	315.0	38.0	342.0	41.0	369.0	44.0	396.0	47.0	423.0	50.0	450.0
35.1	315.9	38.1	342.9	41.1	369.9	44.1	396.9	47.1	423.9	50.1	450.9
35.2	316.8	38.2	343.8	41.2	370.8	44.2	397.8	47.2	424.8	50.2	451.8
35.3	317.7	38.3	344.7	41.3	371.7	44.3	398.7	47.3	425.7	50.3	452.7
35.4	318.6	38.4	345.6	41.4	372.6	44.4	399.6	47.4	426.6	50.4	453.6
35.5	319.5	38.5	346.5	41.5	373.5	44.5	400.5	47.5	427.5	50.5	454.5
35.6	320.4	38.6	347.4	41.6	374.4	44.6	401.4	47.6	428.4	50.6	455.4
35.7	321.3	38.7	348.3	41.7	375.3	44.7	402.3	47.7	429.3	50.7	456.3
35.8	322.2	38.8	349.2	41.8	376.2	44.8	403.2	47.8	430.2	50.8	457.2
35.9	323.1	38.9	350.1	41.9	377.1	44.9	404.1	47.9	431.1	50.9	458.1
36.0	324.0	39.0	351.0	42.0	378.0	45.0	405.0	48.0	432.0	51.0	459.0
36.1	324.9	39.1	351.9	42.1	378.9	45.1	405.9	48.1	432.9	51.1	459.9
36.2	325.8	39.2	352.8	42.2	379.8	45.2	406.8	48.2	433.8	51.2	460.8
36.3	326.7	39.3	353.7	42.3	380.7	45.3	407.7	48.3	434.7	51.3	461.7
36.4	327.6	39.4	354.6	42.4	381.6	45.4	408.6	48.4	435.6	51.4	462.6
36.5	328.5	39.5	355.5	42.5	382.5	45.5	409.5	48.5	436.5	51.5	463.5
36.6	329.4	39.6	356.4	42.6	383.4	45.6	410.4	48.6	437.4	51.6	464.4
36.7	330.3	39.7	357.3	42.7	384.3	45.7	411.3	48.7	438.3	51.7	465.3
36.8	331.2	39.8	358.2	42.8	385.2	45.8	412.2	48.8	439.2	51.8	466.2
36.9	332.1	39.9	359.1	42.9	386.1	45.9	413.1	48.9	440.1	51.9	467.1

TABLE OF 19 TIMES PREMIUM RATE

Premi- um rate	19 times premium rate	Premi- um rate	19 times premium rate	Premi- um rate	19 times premium rate	Premi- um rate	19 times premium rate	Premi- um rate	19 times premium rate	Premi- um rate	19 times premium rate
0.0	0.0	1.0	19.0	2.0	38.0	3.0	57.0	4.0	76.0	5.0	95.0
.1	1.9	1.1	20.9	2.1	39.9	3.1	58.9	4.1	77.9	5.1	96.9
.2	3.8	1.2	22.8	2.2	41.8	3.2	60.8	4.2	79.8	5.2	98.8
.3	5.7	1.3	24.7	2.3	43.7	3.3	62.7	4.3	81.7	5.3	100.7
.4	7.6	1.4	26.6	2.4	45.6	3.4	64.6	4.4	83.6	5.4	102.6
.5	9.5	1.5	28.5	2.5	47.5	3.5	66.5	4.5	85.5	5.5	104.5
.6	11.4	1.6	30.4	2.6	49.4	3.6	68.4	4.6	87.4	5.6	106.4
.7	13.3	1.7	32.3	2.7	51.3	3.7	70.3	4.7	89.3	5.7	108.3
.8	15.2	1.8	34.2	2.8	53.2	3.8	72.2	4.8	91.2	5.8	110.2
.9	17.1	1.9	36.1	2.9	55.1	3.9	74.1	4.9	93.1	5.9	112.1

PART OF TABLE OF COMPUTED LOSS COSTS (75% INSURANCE)¹

ANNUAL YIELD (for Year for Which Loss Is To Be Determined)

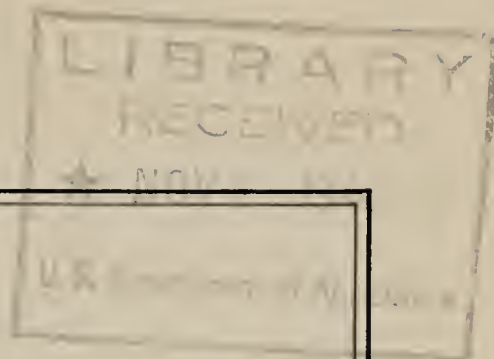
	0	0.5	1.0	1.5	2.0	2.5	3.0	3.5	4.0	4.5	5.0	5.5	6.0	6.5	7.0	7.5	8.0	8.5	9.0	9.5	10.0	10.5	11.0	11.5	12.0
4.0	3.0	2.5	2.0	1.5	1.0	0.5	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
4.5	3.4	2.9	2.4	1.9	1.4	0.9	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
5.0	3.7	3.2	2.7	2.2	1.7	1.2	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
5.5	4.1	3.6	3.1	2.6	2.1	1.6	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
6.0	4.5	4.0	3.5	3.0	2.5	2.0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
6.5	4.9	4.4	3.9	3.4	2.9	2.4	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
7.0	5.2	4.7	4.2	3.7	3.2	2.7	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
7.5	5.6	5.1	4.6	4.1	3.6	3.1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
8.0	6.0	5.5	5.0	4.5	4.0	3.5	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
8.5	6.4	5.9	5.4	4.9	4.4	3.9	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
9.0	6.7	6.2	5.7	5.2	4.7	4.2	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
9.5	7.1	6.6	6.1	5.6	5.1	4.6	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
10.0	7.5	7.0	6.5	6.0	5.5	5.0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
10.5	7.9	7.4	6.9	6.4	5.9	5.4	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
11.0	8.2	7.7	7.2	6.7	6.2	5.7	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
11.5	8.6	8.1	7.6	7.1	6.6	6.1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
12.0	9.0	8.5	8.0	7.5	7.0	6.5	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
12.5	9.4	8.9	8.4	7.9	7.4	6.9	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
13.0	9.7	9.2	8.7	8.2	7.7	7.2	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
13.5	10.1	9.6	9.1	8.6	8.1	7.6	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
14.0	10.5	10.0	9.5	9.0	8.5	8.0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
14.5	10.9	10.4	9.9	9.4	8.9	8.4	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
15.0	11.2	10.7	10.2	9.7	9.2	8.7	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
15.5	11.6	11.1	10.6	10.1	9.6	9.1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
16.0	12.0	11.5	11.0	10.5	10.0	9.5	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0

AVERAGE YIELD

TO BE EXTENDED ON PRINTED COPY

¹Copies of this table in complete form are available to county committees through State AAA offices for use in computing loss costs.

Reserve
1
C88F
1941
no. 111-W
2 Sept. 1-137



COUNTY APPLICATION PROCEDURE

WHEAT CROP INSURANCE



UNITED STATES DEPARTMENT OF AGRICULTURE
FEDERAL CROP INSURANCE CORPORATION
WASHINGTON, D. C.

Issued June 14, 1940

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COUNTY APPLICATION PROCEDURE

WHEAT CROP INSURANCE

SECTION I. GENERAL

A. Presentation of the 1941 Wheat Crop Insurance Program.

The county agricultural conservation committee is responsible to the State agricultural conservation committee for the administration of all phases of the crop insurance program. The county committee, under the direction of the State committee, should develop plans for presenting the crop insurance program to all wheat growers in the county in sufficient time for growers to present their applications for crop insurance prior to the final date established by the Corporation for the receipt of applications in the county office. The county committee should also make careful plans in conformity with this procedure for the handling of problems of administration and operation within the county so that the interests of both the wheat growers and the Corporation will be protected at all times. The county committee should coordinate its activities in presenting this program giving due consideration to timeliness, effectiveness, and economy of operation, in order to present the crop insurance program as a part of the general farm program being administered by the United States Department of Agriculture.

B. Preparation of Community Lists Showing Yield and Premium Rates.

If it is deemed desirable in connection with the writing of applications, the county committee may prepare community lists showing the adjusted average yield and premium rates for each farm as finally approved by the Federal Crop Insurance Corporation, the crop insurance listing sheet farm number, the Agricultural

Conservation Program identifying name, the 1941 wheat-acreage allotment, and other information necessary to identify the farm.

C. Forms.

The following forms will be used in connection with this procedure:

Form FCI-Regulations-101-W, 1941 Wheat Crop Insurance Regulations.

Form FCI-101-W, County Procedure for 1941 Farm Wheat Yields.

Form FCI-103-W, 1941 Wheat Listing Sheet.

Form FCI-112-W, Application for Wheat Crop Insurance.

Form FCI-112A-W, Schedule Application for Wheat Crop Insurance.

Form FCI-113-W, Receipt.

Form FCI-114-W, Deposits To Be Applied Toward Payment of 1941 Wheat Crop Insurance Premium.

Form FCI-115-W, Transmittal Sheet.

Form FCI-116-W, Notice of Acknowledgment of Forms FCI-115-W, Forms FCI-117-W, and Cash Items.

Form FCI-117-W, Certification of Sale of Warehouse Receipts.

Form FCI-118-W, Notice of Confirmation.

Form FCI-119-W, Notice of Seeding.

Form FCI-120-W, Collateral Assignment.

Form FCI-121-W, Transfer of Interest.

Form FCI-122-W, 1941 Wheat Notices of Seeding—Transmittal Sheet.

D. Application for Insurance.

1. Applications for wheat crop insurance shall be made on Form FCI-112-W. Any person who has an interest as landlord, owner, tenant, or sharecropper in a wheat crop to be

seeded on a farm may apply for insurance to cover his interest in such crop.

2. Form FCI-112-W shall cover the applicant's interest in the 1941 wheat crop if his interest is the same in the wheat to be seeded on all tracts constituting the farm, and if the person or persons other than the applicant having an interest in the wheat to be seeded are the same with respect to all tracts.

3. Form FCI-112-W may be submitted covering only spring wheat to be seeded on a farm where winter wheat has been seeded on acreage other than the acreage to be seeded to spring wheat, but, as provided in section 20 (d) of the 1941 Wheat Crop Insurance Regulations, the total production of wheat for the purpose of determining the amount of loss under the insurance contract shall include the production from both winter and spring wheat. The acreage used for computation of premium shown on Form FCI-112-W shall be determined in accordance with section VI of this procedure.

4. Where two or more farms are combined under one operation under the Agricultural Conservation Program but are under different ownerships, one application shall be submitted by the operator for each separately owned tract of land included in the combination for which insurance is desired, even though it is intended that all the allotment will be seeded on one farm. In such cases, the acreage allotment for each farm shall be shown on each Form FCI-112-W. In no case will insurance be effective with respect to acreage of wheat seeded on a tract not covered by an application. The acreage used for computation of premium shown on Form FCI-112-W shall be determined in accordance with section VI of this procedure.

5. Where two or more farms which have been listed separately on Form FCI-103-W involving only one owner and one operation in 1941 are being combined into one farm, one application shall be submitted for the combined farm. The acreage used for the computation of premium, the adjusted average yield, and the premium rates shown on Form FCI-112-W shall be determined in accordance with section VI of this procedure.

6. Where a farm listed as one farm on Form FCI-103-W is being divided in 1941 after such listing sheet has been prepared, separate applications shall be submitted for each portion. The acreage used for the computation of premium, the adjusted average yield, and premium rates shown on Form FCI-112-W shall be computed in accordance with section VI of this procedure.

7. Where special practices are being followed, a separate application shall be submitted for each farm listed on the special practice listing sheets and for which insurance is desired. Form FCI-112-W shall show the applicable yields and rates for each practice. The acreage used for computation of premium shown on Form FCI-112-W shall be determined in accordance with section VI of this procedure.

8. Where a farm contains both irrigated and nonirrigated land and the adjusted average yield and premium rates for such irrigated and nonirrigated land are shown separately under general listing sheets for a county, two Forms FCI-112-W shall be submitted for the same farm; one Form FCI-112-W shall be submitted for the irrigated portion of the farm and the other Form FCI-112-W shall be submitted for the nonirrigated portion of the farm.

Where a farm contains land that is irrigated in some years and not irrigated in other years, one Form FCI-112-W shall be submitted covering both the irrigated and nonirrigated portions of the farm on the basis of the yields and premium rates established on the special practice listing sheets. The acreage used for computation of premium shown on Form FCI-112-W shall be determined in accordance with section VI of this procedure.

The provisions in item 12 of section 64 of the 1941 Wheat Crop Insurance Regulations relating to the amount of the adjustment of loss because of the insured's failure to properly irrigate the insured crop should be specifically called to the attention of the applicant.

9. Where two or more field-rented tracts make up a farm for the Agricultural Conservation Program separate applications shall be submitted:

(a) Covering each tract or tracts with respect to which the applicant's interest in the wheat to be seeded differs from his interest in the wheat to be seeded on another tract or tracts within the farm; and

(b) Covering each tract with respect to which the person or persons having an interest in the wheat to be seeded on such tract are different from the person or persons having an interest in the wheat to be seeded on the other tract or tracts within the farm.

The acreage used for the computation of premium, the adjusted average yield, and premium rates shown on Form FCI-112-W shall be determined in accordance with section VI of this procedure.

10. Where the applicant is the owner-operator of one farm and rents for cash from another owner one or more farms, a separate application shall be filed covering each farm, except in those cases where the individual tracts are numerous and small, the county committee may determine that one application should be submitted. The acreage used for computation of premium, the adjusted average yield, and premium rates shown on Form FCI-112-W shall be determined in accordance with section VI of this procedure.

11. Where any tract or tracts of a farm vary widely from the remainder of such farm in productivity, topography, farming practices, or risk of loss, the county committee may consider such tract or tracts as a separate farm and separate Forms FCI-112-W shall be submitted for each of such tract or tracts subject to the approval of the Corporation. Forms FCI-112-W shall be accepted in the regular manner but a memorandum shall be prepared in accordance with General Procedure 4 and forwarded to the State office with Form FCI-112-W in accordance with section VI of this procedure.

12. Where applications for wheat crop insurance are being submitted by institutional owners or landlords of two or more farms in the same county, Form FCI-112A-W shall be prepared in accordance with section IX of this procedure. The county committee may in their discretion use Form FCI-112A-W for other

landlords, owners, or operators of two or more farms in the same county where the preparation of Form FCI-112A-W appears necessary or desirable.

13. THE NECESSARY INFORMATION SHALL BE INSERTED IN PARAGRAPHS 1, 3, 4, AND 6 OF FORM FCI-112-W IN ACCORDANCE WITH THIS PROCEDURE BEFORE SUCH FORM FCI-112-W IS SIGNED BY THE APPLICANT.

E. Computation of the Cash Equivalent and Collection of Premium.

1. The premium shall be collected, or the request for an advance from the Secretary shall be executed, at the time the applicant signs Form FCI-112-W. The cash equivalent of the premium shall be computed in all cases where all or a part of the premium is paid by cash, check, money order, or bank draft.

2. The cash equivalent of any premium or deposit shall be determined by multiplying the number of bushels of wheat of the applicable class and grade constituting the premium or deposit by the price of such wheat at the current basic market designated by the Corporation, less the price differential. The price of such wheat at the current basic market shall be the price shown on the latest price notice issued by the State office.

The cash equivalent of any additional payment supplementing a premium payment shall be determined by multiplying the number of bushels of wheat of the applicable class and grade constituting such additional payment, by the price of such wheat used for the computation of the original premium payment.

Basic market means the market designated by the Corporation for the computation of the cash equivalent of premiums, deposits, refunds, or indemnities for the area in which the farm is located: *Provided, however,* That if the Corporation finds that the basic market designated in connection with any such computation is inapplicable due to changes in market conditions, the Corporation shall designate another basic market in connection with any other of such computations.

Price differential means the amount per bushel fixed by the Corporation to represent the difference in wheat prices for the applicable basic market and the county in which the farm is located, or the local shipping station for the farm, whichever the Corporation determines is applicable.

3. Premiums shall be payable at the office of the county committee for the county in which the farm is located. Premiums may be paid either in wheat or the cash equivalent thereof, at the option of the insured. Premiums shall be payable at the time the application is taken, and in no event shall a premium be accepted after the beginning of the seeding of the wheat crop, except as provided in subsection (d) of section 20 of the 1941 Wheat Crop Insurance Regulations, or after the date specified by the Corporation as the closing date for the receipt of applications, whichever occurs first. However, an additional payment supplementing a premium payment may be accepted after seeding and within the time prescribed by the Corporation, (1) in the case of an insurance contract covering the farm for which a premium payment was made on the basis of the wheat allotment or permitted acreage under the 1941 Agricultural Conservation Program, and, due to a combination of such farm with another farm or farms to constitute one farm under the 1941 Agricultural Conservation Program, the maximum insurable acreage for such contract is in excess of such allotment or permitted acreage, and (2) in the case of an insurance contract based on special practices when the acreages of wheat seeded to special practices differ from the acreages of special practices on which the premium payment for the insurance contract was made.

4. The payment of premiums in the cash equivalent shall be made by check, money order, or bank draft payable to the Treasurer of the United States, by cash, or by means of an advance from the Secretary of Agriculture.

5. All premium collections must be forwarded daily to the branch office of the Corporation. Since the Corporation is using Form FCI-115-W as the basis for wheat purchases, it is necessary

that the original Form FCI-115-W be transmitted daily to the branch office even though all premiums are paid by means of an advance from the Secretary. Form FCI-115-W, listing those Forms FCI-112-W which were signed by the applicant on the closing date, shall be transmitted by the county committee to the branch office on the closing date, and no further transmittals of Form FCI-115-W shall be made except in those cases where supplemental payments have been received.

Forms FCI-112-W, which are received in the county office after the final date for the receipt of applications, shall be listed in the regular manner on Form FCI-115-W and the original copy shall be transmitted daily to the branch office. In transmitting such applications to the State office, a memorandum shall be prepared for each case outlining all the facts in the case. The original copy of this memorandum shall be attached to the original Form FCI-112-W and a copy shall be attached to the State office copy of Form FCI-112-W, when these forms are transmitted to the State office. A copy of this memorandum shall also be attached to the county office copy of Form FCI-112-W.

6. Any person who submits an application may tender, with his premium payment, except where his premium is being paid by means of an advance from the Secretary, a deposit of wheat or cash in an amount not in excess of his computed premium payment shown on Form FCI-112-W toward the payment of future premiums. Tender of deposit shall be made only at the time Form FCI-112-W is submitted. The corporation reserves the right to reject the tender of any deposit. The tender of deposits in the cash equivalent shall be made by check, money order, or bank draft payable to the Treasurer of the United States, or by cash.

7. All checks and drafts will be accepted subject to collection, and premiums or deposits shall not be regarded as paid unless collection is made.

8. When a premium is paid in wheat, such payment shall be made by the delivery of a

negotiable warehouse receipt, or other similar instrument acceptable to the Corporation (both hereinafter referred to as "warehouse receipt"), representing the number of bushels of wheat of merchantable quality constituting the current year's premium and representing wheat of the class specified in the application and the grade specified for such class by the Corporation for the current year's premium. Tender of deposits in wheat shall be made in a similar manner.

F. Disposition of 1940 Crop Year Deposits.

Any amount which is on deposit with the Corporation for the payment of future premiums, pursuant to the 1940 Wheat Crop Insurance Regulations, as amended, shall be applied in payment of the premium for any insurance for which a 1941 application is accepted, or refunded in accordance with the 1941 Wheat Crop Insurance Regulations. Claims for refunds of deposits shall not be considered until Forms FCI-119-W have been submitted; however, the Corporation may make refunds at an earlier date if it determines that such action is advisable.

At the time the depositor makes application for insurance with respect to the 1941 wheat crop, his deposit shall be deducted from the premium due. Any excess will be refunded as soon as practicable by the Corporation in accordance with the 1941 Wheat Crop Insurance Regulations, unless the applicant submits a memorandum with Form FCI-112-W requesting that his excess deposit be considered as a deposit for the payment of future premiums.

The branch office will supply each county office with Form FCI-114-W, showing the 1940 wheat crop insurance applicants having deposits to their credit with the Corporation. Upon receipt of this list showing the amount of the deposits in bushels to be applied toward payment of the 1941 wheat crop insurance premiums, the county committee should notify each person whose name appears on this list of the amount of deposit to his credit. Copies of this list may be prepared in the county office

for use at community sign-up meetings or for crop insurance representatives or community committeemen when applications for insurance are being written, in order that the applicant may apply his deposit tendered in connection with the 1940 crop year toward payment of his 1941 premium.

The deposit in bushels as shown on Form FCI-114-W has been computed on the basis of the class of wheat and the local station for the 1940 crop year, shown on Form FCI-12, Wheat—1940. In the event that the applicant is designating on Form FCI-112-W, as a basis for the payment of premium and indemnity for the 1941 crop year, a class of wheat which differs from the class of wheat shown on Form FCI-114-W, the deposit in bushels must be recomputed in accordance with section VII of this procedure.

Transfers of deposits between counties in the same or different states may be made only with the approval of the Corporation. In the event that the depositor wishes to transfer his deposit to a farm in a different county, the deposit will be refunded by the Corporation unless the recomputation has been made by the Corporation prior to the time that Form FCI-112-W is prepared in accordance with section VII of this procedure.

G. Fractional Units in Acres, Yields, and Premium Rates.

Fractions of yields per acre shall be rounded to the nearest tenth of a bushel. Fractions of premium rates shall be rounded to the nearest hundredth of a bushel.

Fractions of bushels other than yields per acre and premium rates shall be rounded to the nearest bushel. Fractions of acres representing total acres of wheat shall be rounded to the nearest tenth of an acre.

In making computations under the 1941 program, carry the computation to one digit beyond the digit that is to be rounded. If the extra digit computed is 1, 2, 3, or 4, round downward. If the extra digit computed is 6, 7, 8, or 9, round upward. If the extra digit computed is 5, it will be necessary to carry the

computation to still another digit. Then if the two extra digits are 50, the rounding shall be downward. Ignore all figures beyond the two extra digits. If the two extra digits are 51 or any higher figure, the rounding shall be upward.

FOR EXAMPLE:	<i>Result of computation</i>	<i>Rounded bushels</i>
Total premium-----	26. 4	26
	26. 50	26
	26. 51	27
Total insured produc-	1, 180. 4	1, 180
tion.	1, 180. 50	1, 180
	1, 180. 51	1, 181
Adjusted average yield-	10. 34	10. 3
	10. 550	10. 5
	10. 551	10. 6
Premium rates per acre-	1. 364	1. 36
	1. 3650	1. 36
	1. 3651	1. 37

H. Acceptance of Applications.

The insurance contract shall be in effect upon acceptance of Form FCI-112-W by the county committee if the adjusted average yield and premium rate per acre for the farm are in accordance with the yield and rate approved by the Corporation, and the application is submitted in accordance with the provisions of the application and the 1941 Wheat Crop Insurance Regulations and amendments thereto. Form FCI-112-W shall not be accepted by the county committee until the premium has been paid either by cash, check, money order, bank draft, warehouse receipt, application of deposit, or an advance from the Secretary. Confirmation by the Corporation of the acceptance of Form FCI-112-W will be evidenced by the issuance of a notice to the applicant (Form FCI-118-W).

The applicant shall not be given his copy of Form FCI-112-W until the certification and acceptance by the county committee has been properly executed in paragraph 15.

The county committee may withhold acceptance of any Form FCI-112-W, or limit the insured percentage to 50 percent, where it determines that the risks to be incurred warrant either action.

If the county committee does not wish to accept the application, paragraph 15 of Forms

FCI-112-W, Certification and Acceptance by the County Committee, shall not be executed, but a memorandum outlining all the facts in the case shall be submitted. The original of this memorandum shall be attached to the original of Form FCI-112-W and a copy shall be attached to the State office copy of Form FCI-112-W, when these forms are transmitted to the State office. A copy of this memorandum shall also be attached to the county office copy of Form FCI-112-W.

I. Change of Basic Market Prices.

The county office will be notified by the State office when a change is to be made in the basic market price of wheat to be used in computing the cash equivalent of premiums. It is important that any change in the basic market prices be made effective as soon as possible after receipt of this confirmation in the county office. A wheat price card shall be forwarded to each county office as a confirmation of the basic market prices. In order to provide uniform handling of these prices, the State committee will check all Forms FCI-112-W in order to determine that the price used for the computation of the cash equivalent was the price shown on the wheat price card for the date that Form FCI-112-W was signed by the applicant. In the event the applicable price is not the basic market price for the date that Form FCI-112-W was signed by the applicant, determination will be made by the State office as to whether or not the change in basic market price was made effective by the county office as soon as possible after receipt of notification.

J. Change of Price Differentials.

The county office will be notified by the State office when a change is to be made in the price differential to be used in computing the cash equivalent of premiums. It is important that any change in the price differential be made effective as soon as possible upon receipt of this information from the State office.

K. Final Date for Receipt of Forms FCI-112-W.

In order to be acceptable, Form FCI-112-W, properly executed by the applicant, must be

received by the county committee together with the premium payment before the beginning of the seeding of the wheat crop (or the seeding of the spring wheat where an application is submitted covering only spring wheat even though both winter and spring wheat are being seeded on the farm) or the final date established by the Corporation for the receipt of applications, whichever occurs first.

The final dates established by the corporation for the receipt of applications in the county office shall be as follows:

Winter wheat, August 31, 1940.

Spring wheat, February 28, 1941.

When the final date for the receipt of Forms FCI-112-W in the county office falls on Sunday or a legal holiday, the final date for the receipt of applications in the county office will be the next business day following such Sunday or legal holiday. This requirement will apply also to the last day of the 2-weeks' period allowed to absentee owners or landlords to return Forms FCI-112-W to the county office. If placed in the mails, the Forms FCI-112-W should be posted in ample time to reach the county office, under ordinary handling of the mails, on or before the date on which Form FCI-112-W is to be filed in the county office. If Form FCI-112-W is executed and placed in the mails in due course, properly addressed and postage paid, in ample time to reach the county office on or before the final date, Form FCI-112-W may be accepted by the county committee even though such Form FCI-112-W is not received in the county office until subsequent to the final date. If a question should be raised as to whether Form FCI-112-W was posted in ample time to reach the county office on or before the final date, the envelope in which the Form FCI-112-W was transmitted will be preserved by the county committee and forwarded to the State office with Form FCI-112-W. All such cases received subsequent to the final date for the receipt of applications in the county office shall be handled in accordance with General Procedure 4 when such cases are transmitted to the State office.

SECTION II. PREPARATION OF FORM FCI-112-W, APPLICATION FOR WHEAT CROP INSURANCE

A. 1. When Form FCI-112-W is prepared do not insert the State and county code and application number as this information will be inserted when Forms FCI-112-W are listed on Form FCI-115-W by the county office in accordance with section IV of this procedure.

2. Enter the 1941 wheat listing sheet farm number(s) as shown in column 1 of Form FCI-103-W.

There shall also be inserted the identifying letters, if any, which are shown on Form FCI-103-W such as I, NI, W, S, or D.

B. Paragraph 1.

1. Type or print the name of the applicant in the manner in which the signature is usually affixed.

Where Form FCI-112-W is being submitted by a married woman, the full Christian name, additional initials, if any, and the husband's surname should be shown instead of the husband's name preceded by the designation "Mrs."

Example: Correct: Mary A. Doe.

Incorrect: Mrs. John W. Doe.

However, where a married woman is acting in a fiduciary capacity, the name should be printed or typed in the manner set forth in the authorization to act, whether by court order or by simple trust agreement.

2. Type or print the complete mailing address in order that all correspondence may be promptly forwarded to such address.

C. Paragraph 3.

Enter in paragraph 3 the total number of acres in the farm covered by the application; the name of the owner or the word "applicant," if the applicant is the owner of the farm; farm name, or location of the farm, or legal description of the farm for purposes of identification.

D. Paragraph 4.

Column A.—(a) Special practices.—Where the yield and rate procedure for *special practice(s)* has been followed in the county, list all the practices for which yields and rates have been established for the farm, as shown on

Form FCI-103-W. Where separate yield and premium rates *have been* established for special practices on the farm, Form FCI-112-W shall be prepared on the basis of such special practice(s). In the event that separate yield and premium rates for special practices have not been established for the farm in a special practice county, the word "general" should be inserted in this column.

(b) In counties where only general listing sheets have been prepared and yields have been determined on some farms which will be applicable only if certain practices are followed and if such practice is not followed an adjustment of production would need to be made under the 1941 Wheat Crop Insurance Regulations, the county committee should enter in column A the word(s) which will distinguish such practice as "Irrigated," "Nonirrigated," "Fertilizer," "Durum," "Spring," "Winter," etc.

No entries need be made in column A other than those specified above.

Column B. Adjusted average yield for farm.—

(a) Enter from Form FCI-103-W the adjusted average yield for the farm as approved by the Corporation. The adjusted average yield shown on supplemental listing sheets, listing sheet for combined and subdivided farms, and other similar cases shall be handled in accordance with sections V and VI of this procedure.

(b) For those farms on which special practices are recognized, the adjusted average yield as approved by the Corporation for each special practice being followed on the farm shall be entered in column B on the line on which the special practice is shown in column A.

(c) In the event two or more farms which have been listed separately on Form FCI-103-W are under only one ownership and one operation in 1941 and therefore constitute one farm, or a farm listed on Form FCI-103-W is being divided in 1941, the entry in column B shall be made in accordance with section VI of this procedure.

(d) If the county committee recommends that the adjusted average yield should be changed because the Corporation's risk has been increased, the county committee shall

enter in column B in place of the adjusted average yield shown on Form FCI-103-W, the yield appraised by the committee on the basis of the farming practice being followed for the 1941 crop. In making its appraisal, the county committee shall, insofar as possible, be guided by the adjusted average yields established for similar farms following similar practices. In such cases, Form FCI-112-W should be accompanied by a memorandum setting forth the reason(s) for recommending a yield different from the yield determined for the listing sheet. The original of this memorandum shall be attached to the original of Form FCI-112-W and a copy shall be attached to the State office copy of Form FCI-112-W, when these forms are transmitted to the State office. A copy of this memorandum shall also be attached to the county office copy of Form FCI-112-W.

Column C. Insured Percentage (75 or 50).—

(a) Enter in this column either 75 or 50 percent, indicating the insured percentage requested by the applicant. Although 75-percent insurance is applied for, if the county committee determines that the insured percentage should be limited to 50 percent, Form FCI-112-W should be prepared indicating an insured percentage of 50 percent rather than 75 percent prior to the time Form FCI-112-W is signed by the applicant. If Form FCI-112-W has already been signed by the applicant, the change from 75-percent insurance to 50-percent insurance must be initialed by the insured in accordance with paragraph H of section II of this procedure.

(b) For those farms on which special practices are being followed, the percent insurance on Form FCI-112-W shall be the same for each practice.

*Column D. Applicant's Interest in Wheat Crop.—*Enter in this column the applicant's percentage share in the 1941 wheat crop existing when Form FCI-112-W is signed by such applicant.

(a) Where the insured's interest in the wheat crop is decreased *before* the beginning of the seeding of the wheat crop:

1. The insured may execute a transfer of in-

terest (Form FCI-121-W) transferring the insurance contract in part in accordance with part VIII of the 1941 Wheat Crop Insurance Regulations. However, Form FCI-121-W must be executed and submitted to the county office before the beginning of the seeding of the wheat crop.

2. If Form FCI-121-W is not executed and submitted to the county office before the beginning of the seeding of the wheat crop, the reduction of interest in the wheat crop will be effected when the notice of seeding (Form FCI-119-W) is prepared in the county office.

It should be noted that if Form FCI-121-W has not been executed and submitted *prior* to the beginning of the seeding of the wheat crop, the insurance contract shall be effective only with respect to the interest of the insured at the time of the beginning of the seeding of the wheat crop, and the transfer of the insurance contract in part to any other person will not be permitted.

(b) Changes in the percentage of interest occurring *after* the beginning of the seeding of the wheat crop but *prior* to the time of loss may only be effected, with the approval of the Corporation, in connection with the transfer, by the insured, of all or a part of his interest in the insured crop by submitting Form FCI-121-W to the county committee. This is in accordance with part VIII of the 1941 Wheat Crop Insurance Regulations.

Column E. Premium rate per acre.—Enter in this column the premium rate per acre for the farm as approved by the Corporation which is shown on Form FCI-103-W. The premium rate for farms listed on supplemental Forms FCI-103-W and for combined farms, divided farms, and field-rented tracts will be entered in accordance with sections V and VI of this procedure.

If the premium rate per acre is less than the minimum, 0.50 bushel for 75-percent insurance, and 0.30 bushel for 50-percent insurance, the minimum rate shall be inserted in column E except in the case of special practice(s).

In the case of Form FCI-112-W filed on the basis of special practices, enter in column E the

computed premium rate for each special practice even though such premium is less than the minimum.

E. Paragraph 5. *Local delivery point.*—

No entry need be made in paragraph 5 if the county rate is being used.

Enter the local delivery point in those cases where the county rate is *not* used.

F. Paragraph 6. *Designation of class of wheat.*—

Enter the class of wheat selected by the applicant as the basis for payment of premium and indemnity.

This class of wheat must be one normally grown in the area and shall be one of the classes shown on the wheat price card.

Computations of cash equivalents will be based upon the same classes and grades of wheat as were used for the 1940 program. These classes of wheat and the applicable grades, which will be used in the computation of premiums, are as follows:

Class:	Basic grade
Red Winter.....	No. 2
Hard Winter.....	No. 2
Soft White.....	No. 2
Hard White.....	No. 2
Dark Northern Spring.....	No. 1
Northern Spring.....	No. 1
Western White.....	No. 2
Hard Amber Durum.....	No. 2
Hard Winter (Montana, Idaho, and Utah).....	No. 2
Western Red.....	No. 2

G. Paragraph 14. *Signatures.*—

THE NECESSARY INFORMATION SHALL BE INSERTED IN PARAGRAPHS 1, 3, 4, AND 6 OF FORM FCI-112-W IN ACCORDANCE WITH THIS PROCEDURE BEFORE SUCH FORM FCI-112-W IS SIGNED BY THE APPLICANT.

All signatures and evidence of authority relative thereto shall be in accordance with the instructions to the county agricultural conservation association as outlined in Form ACP-16, Instructions on Signatures and Authorizations.

In those cases where the county committee is not satisfied that the person signing the applica-

tion has authority to act, evidence of authority should be obtained and filed in the county office.

1. Signature of applicant where all of the payment of premium is made by cash, check, money order, bank draft, warehouse receipt, or application of deposit.

(a) The applicant should sign his name in paragraph 14 (a) in the same manner as the printed or typed name in paragraph 1, and shall indicate the date of signing.

2. Signature of applicant where payment of part or all of the premium is made by means of an advance from the Secretary.

The applicant should sign his name in paragraph 14 (b) in the same manner as the printed or typed name in paragraph 1, and shall indicate the date of signing.

The signature of the applicant in paragraph 14 (b) shall constitute his request and agreement for an advance from the Secretary for the payment of his crop insurance premium.

3. It will not be necessary for the applicant to sign both item (a) and item (b) of paragraph 14 in any case.

If the premium payment is being made partly by means of an advance from the Secretary and partly by one of the methods outlined in paragraph 14 (a), the applicant should sign only in paragraph 14 (b).

As indicated above, if all of the premium payment is made by cash, check, money order, bank draft, warehouse receipt, or application of deposit, the applicant should sign item 14 (a).

H. Paragraph 15. *Certification and acceptance by the county committee.*—

1. *Acceptable Forms FCI-112-W.*—Form FCI-112-W shall be carefully reviewed by the county committee and if acceptable a member of the county committee shall sign the certification and acceptance. Until such certification and acceptance has been executed, the applicant shall not be given his copy of Form FCI-112-W.

2. *Absentee owners or landlords.*—Where insurance is desired by an absentee owner or landlord, the county committee shall prepare Form FCI-112-W for the signature of the ab-

sentee owner or landlord, and insert the current date in both paragraph 14 (a) and paragraph 14 (b). Both dates should be inserted in order that the absentee owner or landlord might be advised that if payment of premium is made by cash, check, money order, bank draft, or application of deposit, the signature should appear in paragraph 14 (a), and if the premium is to be paid by an advance from the Secretary, item 14 (b) should be signed. The cash equivalent of the premium due shall be computed using the basic market price for this current date as inserted by the county committee. Forms FCI-112-W and Forms FCI-112A-W shall also be prepared where necessary in accordance with section IX of this procedure. The absentee owner or landlord should be advised that the premium payment and the signed Form FCI-112-W must be received in the county office within two weeks of the date appearing in paragraph 14 of Form FCI-112-W, and *in no event later* than the final date established by the Corporation for the receipt of applications in the county office. He should also be informed that the date has been inserted prior to obtaining the signature for the purpose of computing the cash equivalent of the premium due and should this date be changed, it might necessitate the recomputation of the premium, and that in no event will Form FCI-112-W be accepted if such form, together with the premium payment, is not received in the county office on or before the final date for the receipt of applications. As Forms FCI-112-W executed by absentee owners or landlords cannot be accepted after the final date set for the receipt of Forms FCI-112-W in the county office, the county committee shall prepare Forms FCI-112-W for the signature of the absentee owners or landlords sufficiently in advance of the final date to permit the absentee owners or landlords to return the properly executed Forms FCI-112-W to the county office on or before the final date set for the receipt of applications in the county office.

Forms FCI-112-W executed by absentee owners or landlords shall not be listed on Form FCI-115-W nor certified by the county

committee until the premium payment has been received.

3. *Forms FCI-112-W which cannot be accepted.*—If, after the receipt of the premium and the execution of Form FCI-112-W by the applicant, the county committee determines that Form FCI-112-W has not been properly executed, Forms FCI-112-W shall be listed on Form FCI-115-W in the regular manner and the premium collection received for the suspended Form FCI-112-W shall be transmitted to the branch office.

FURTHERMORE, ALL FORMS FCI-112-W RECEIVED IN THE COUNTY OFFICE SHALL BE LISTED DAILY ON FORM FCI-115-W, EVEN THOUGH THE COUNTY COMMITTEE LATER DETERMINES THAT FORM FCI-112-W CANNOT BE ACCEPTED. FORM FCI-115-W SHALL BE TRANSMITTED DAILY TO THE BRANCH OFFICE REGARDLESS OF THE NUMBER OF FORMS FCI-112-W LISTED ON SUCH FORM FCI-115-W EVEN THOUGH ALL PAYMENTS HAVE BEEN MADE BY MEANS OF AN ADVANCE FROM THE SECRETARY.

A line shall be drawn through the data for the suspended Form FCI-112-W appearing on Form FCI-115-W. A notation shall be placed on Form FCI-115-W, under the column headed "For use of State committee," to the effect that suspension was made by the county committee. These revisions shall be made on all copies of Form FCI-115-W, except that the original Form FCI-115-W, which accompanies the premium collections to the branch office, shall not be revised.

In the event the county committee determines that Form FCI-112-W should not be accepted, the certificate of the county committee shall not be executed, but a memorandum shall be prepared outlining all the reasons why Form FCI-112-W was *not* accepted. It is suggested that all Forms FCI-112-W, which are not accepted, be carefully reviewed prior to forwarding to the State office. Form FCI-112-W should not be marked in any manner indicating that it is not acceptable

except that the certificate of the county committee shall not be signed. The original of the memorandum shall be attached to the original of Form FCI-112-W, a copy attached to the State office copy of Form FCI-112-W, and a copy attached to the county office copy of Form FCI-112-W.

Where premiums have been collected, but the county committee has not accepted Form FCI-112-W, the premium shall be transmitted to the branch office accompanied by the original of Form FCI-115-W, and the branch office copy of Form FCI-113-W, if any.

In no event shall premium collections be retained in the county office pending correction of Forms FCI-112-W or for any other reason.

Where paragraph 14 (b) of Form FCI-112-W has been executed by the applicant but the county committee determines that the net payment will not equal or exceed the amount of the advance requested, the certificate of the county committee shall not be signed until the additional cash payment required has been made by the applicant.

If the applicant does not pay the additional cash premium required, the county committee shall not sign the certificate by the county committee, but shall attach a memorandum as outlined above indicating the reason for non-acceptance. If the additional cash required is paid by the applicant, the county committee shall sign paragraph 15 of Form FCI-112-W in the regular manner.

4. *Correction of Forms FCI-112-W.*—Where the adjusted average yield is being reduced, or the premium rate per acre is being increased, or the insured percentage is changed, or the applicant's interest in the wheat crop is changed after Form FCI-112-W has been signed by the applicant, each item which has been corrected shall be initialed by the applicant. If changes of this type are made after the acceptance by the county committee, each revised item should also be initialed by the county committee and the new date of acceptance shall be indicated by drawing a line through the original date of acceptance and inserting the current date. All other changes on

Form FCI-112-W need not be initialed by the applicant.

I. Paragraph 16. *Computation of premium and cash equivalent of premium.*—

1. Enter the name of the basic market and the wheat price card serial number applicable for the day the applicant signs Form FCI-112-W.

2. *Column A. Acreage used for computation of premium.*—

The entry in column A should be the acreage allotment for an allotment farm under the Agricultural Conservation Program, or the permitted acreage for a nonallotment farm, or a field-rented tract.

The acreage used in the computation of premium shall be the acreage allotment for an allotment farm or the permitted acreage for a nonallotment farm, except:

(1) In those instances where the application is being submitted on a tract not identical with the farm for which an acreage allotment or permitted acreage was established, the acreage used for the computation of premium shall be the acreage which the applicant intends to seed on that tract, but the total intended acreage to be seeded on all the tracts shall equal the acreage allotment or permitted acreage. Where the total acreage to be seeded to wheat on the various tracts, two or more of which make up a farm for the Agricultural Conservation Program, is in excess of the farm wheat allotment or permitted acreage, the acreage used for the computation of premium on each Form FCI-112-W as shown in column A of paragraph 16 shall be the same proportion of the acreage to be seeded on that tract that the farm wheat allotment or permitted acreage is of the total acreage to be seeded on the farm. (See case 5 of section VI, Page 21.)

(2) Where the application is being submitted covering only spring wheat to be seeded on a farm where winter wheat has been seeded on acreage other than the acreage to be seeded to spring wheat, the acreage used for the computation of premium shall be the acreage allot-

ment less the acreage seeded to winter wheat on the farm.

(3) Where the farm is not to be grouped with other farms under the provision of the Agricultural Conservation Program, the acreage used for the computation of premium may be less than the acreage allotment or permitted acreage if the insured is absolutely certain that the acreage to be seeded to wheat for harvest on the farm will be less than the allotment or permitted acreage. In this case, the Corporation will not accept additional payments to increase the total insured production after the final date for the receipt of applications in the county office.

Where the payment is made by an advance from the Secretary, if the applicant insists on using an acreage for the computation of premium which is less than the acreage allotment or permitted acreage, because the premium payment based on the acreage allotment exceeds the estimated Agricultural Conservation Program payments, column A of paragraph 16 of Form FCI-112-W may show the acreage to be seeded to wheat, but in these cases also additional payments will *not* be accepted after the final date for the receipt of applications in the county office.

However, where two or more farms are combined for the purpose of the Agricultural Conservation Program, Form FCI-112-W should be submitted for the acreage allotment or permitted acreage for each farm and all or a part of this acreage allotment may be seeded on any other farm included in the combination for which Form FCI-112-W was executed. The Form FCI-112-W covering the farm on which the wheat is seeded must have been submitted before the beginning of the seeding of the wheat crop or the final date for the receipt of applications in the county office, whichever occurs first, as applications will not be accepted after this date. All such adjustments of allotment will be effected at the time Form FCI-119-W, Notice of Seeding, is prepared in the county office.

For the determination of the acreage used

for computation of premium for combined farms, divided farms, special practices, field-rented tracts, irrigated or nonirrigated portions of a farm, and other similar cases, see section VI of this procedure.

3. *Column B. Total premium.*—

Enter in column B the product of the acreage used for computation of premium, the premium rate per acre, and the applicant's interest in the wheat crop ($16A \times 4E \times 4D$). In making this computation, first multiply the acreage by the premium rate and round the results to whole bushels. Then apply the applicant's interest in the wheat crop to the result and round the product to whole bushels. In no case shall the total premium for any insurance contract be less than one bushel.

If the acreages for more than one farming practice are shown in column A of paragraph 16, compute the premium for each practice in the manner outlined above and enter the total of the figures appearing in this column.

If the premium rate per acre for any special practice, as shown in column E of paragraph 4, is less than the minimum (0.50 bushel for 75 percent and 0.30 bushel for 50 percent), compute also what the total premium would be on the basis of the minimum rate for the total acreage in column A of paragraph 16. If this figure is larger than the total premium as determined on the basis of the special practice premium rate, or rates, it shall be used. In those cases where the minimum rate for the farm is used, a line shall be drawn through the total premium entered at the bottom of column B and the premium as computed above shall be entered.

4. *Column C. 1940 deposit applied.*—

Enter in column C the bushels of wheat on deposit, if any, from Form FCI-114-W.

Indicate on Form FCI-114-W the 1941 application number and the deposit applied in bushels.

The entry in column C shall not exceed the total premium in bushels as shown in column B, and shall agree with the bushels applied as shown in column F of Form FCI-114-W. All deposits are to be applied in payment of pre-

mium not to exceed the total premium shown in column B of paragraph 16 and the deposits so applied toward payment of premium are to be considered as 1941 premium payments and refunds of any portion of the deposit so applied will be made based on the basic market price applicable for the day that Form FCI-112-W was signed by the applicant.

Any deposit in excess of the total premium shown in column B will be refunded by the Corporation unless the applicant submits with Form FCI-112-W a memorandum to the effect that the excess deposit is to be redeposited for payment of future premiums.

Refunds of deposits in excess of the amount required for payment of premium will be made on the basis of the basic market price applicable for the day that the deposit was tendered to the Corporation. If the class of wheat designated on Form FCI-112-W differs from that shown on Form FCI-114-W, or the applicant wishes to apply the deposit to a farm located in another county, the deposit shall be recomputed in accordance with section VII of this procedure.

5. *Column D. Net premium.*—

Enter in column D the balance of the premium due by deducting the bushels of wheat representing the 1940 deposit from the total premium in bushels ($16B - 16C = 16D$).

(a) In the event the bushels on deposit equal or exceed the total premium in bushels, enter the word "none" in column D.

(b) Where all of the premium payment is made by an advance from the Secretary, by a warehouse receipt, or by application of deposit, it will not be necessary to insert the entries in columns E, F, G, and H of paragraph 16 of Form FCI-112-W.

(c) If all or part of the payment is made in cash, columns E, F, G, and H must be completed.

6. *Column E. Basic market price.*—

Enter in column E the basic market price for the class of wheat shown in paragraph 6 of Form FCI-112-W. The basic market price for the date that Form FCI-112-W is signed by the applicant shall be used as the applicable price

for the computation of the cash equivalent of the premium.

7. *Column F. Price differential.*—

Enter the price differential in column F.

8. *Column G. Net price.*—

Deduct the price differential from the basic market price and insert the result in column G ($16E - 16F = 16G$). (In some areas the price differentials may be in addition to the basic market price.)

9. *Column H. Cash equivalent.*—

Multiply the net premium by the net price per bushel and insert the result in column H ($16D \times 16G = 16H$).

SECTION III. COLLECTION OF PREMIUM AND PREPARATION OF FORM FCI-113-W, RECEIPT

A. Premiums shall be collected at the time Form FCI-112-W is signed by the applicant. Payment of the premium shall be made by check, money order, or bank draft PAYABLE TO THE TREASURER OF THE UNITED STATES, by cash, by warehouse receipt, by the application of a deposit, or by an advance from the Secretary of Agriculture.

The county committee shall transmit all premiums and deposits paid in cash, check, money order, or bank draft to the Corporation each day. All checks and drafts are accepted subject to collection.

ALL FORMS FCI-112-W RECEIVED IN THE COUNTY OFFICE MUST BE LISTED DAILY ON FORM FCI-115-W. THE ORIGINAL OF FORM FCI-115-W, THE BRANCH OFFICE COPY OF FORM FCI-113-W, AND ALL PREMIUM COLLECTIONS MUST BE FORWARDED DAILY TO THE BRANCH OFFICE OF THE CORPORATION. SINCE THE CORPORATION IS USING FORM FCI-115-W AS THE BASIS FOR WHEAT PURCHASES, IT IS NECESSARY THAT THE ORIGINAL FORM FCI-115-W BE TRANSMITTED DAILY TO THE BRANCH OFFICE EVEN THOUGH ALL PREMIUMS ARE PAID BY MEANS OF AN ADVANCE FROM THE SECRETARY.

1. *Premiums paid by warehouse receipts.*—

When premiums are paid in wheat, such payments shall be made by the delivery of a negotiable warehouse receipt or other similar instrument acceptable to the Corporation. The 1941 Wheat Crop Insurance Regulations give the conditions upon which warehouse receipts may be accepted. If the warehouse receipt has been tendered by the applicant, it should be examined to see that (1) the warehouse receipt is issued to or endorsed to the applicant, (2) the warehouse receipt represents a number of bushels of wheat of the class specified by the applicant and the grade specified by the Corporation for this class for the current year's premium and any deposit of wheat tendered for the payment of future premiums, and (3) that the warehouse receipt is negotiable.

If it is found that the warehouse receipt does not meet the requirements set forth herein, the applicant should be advised in what manner the warehouse receipt does not conform.

If it is determined that the warehouse receipt conforms to the requirements, the endorsement of the warehouse receipt should be made in the following form:

Deliver to the Order of
Federal Crop Insurance Corporation

and signed thereunder by all persons whose interest is being transferred.

On many forms of warehouse receipts a space is provided for certification by the holder of his ownership of the grain represented thereby and that it is free from liens and encumbrances. On such warehouse receipts each person who endorses to the Corporation must sign such statement.

2. *Sale of warehouse receipts.*—

The county committee should arrange for the sale of all warehouse receipts which have been received in payment of premiums or deposits. Warehouse receipts shall be sold as promptly as possible and the receipts therefrom must immediately be transmitted with other collections to the branch office. However, the proceeds from the sale of warehouse receipts should not

be listed on Form FCI-115-W, but Form FCI-117-W should be used for this purpose.

In view of the fact that the county committee will be in a position to know market conditions and prevailing market prices with respect to wheat in the locality, the committee will be charged with the responsibility of obtaining full market prices for wheat represented by such warehouse receipts.

At the time of making the sale, the warehouse receipts shall be endorsed either by the chairman of the county committee, the crop insurance supervisor, if any, the secretary of the county committee, or the treasurer of the county committee, by signing his name and indicating his title in the following manner:

Federal Crop Insurance Corporation,

By: -----
(Signature)

(Title)

B. Preparation of Form FCI-117-W, Certification of Sale of Warehouse Receipts.—

Prepare four copies of Form FCI-117-W listing the name of the State and county, the date of sale, name and address of the warehouse which issued the warehouse receipts, and also the following information in the respective columns:

Column A: Application number.

Column B: The warehouse receipt number.

Column C: The class and grade of wheat represented by each warehouse receipt.

Column D: The number of bushels.

Column E: The number of pounds.

Column F: The name of the market on which the price was based.

Column G: The price per bushel.

Column H: The amount.

No handling charge should be allowed the warehouseman if sales are made at the warehouseman's current country buying price. Storage, if any, but not to exceed one-thirtieth of a cent per bushel per day, should be deducted from the gross amount of the sale. Where it is

the custom of the warehouseman to allow free time, such free time should be allowed to the Corporation. Such deductions should be described and the amount entered in the space provided therefor.

The certification by the purchaser for the purchase of the warehouse receipts on the date and for the amount as specified should then be made in the spaces provided on Form FCI-117-W.

The certification on Form FCI-117-W shall be completed by inserting in the spaces provided the amount of the sale, the signature of an authorized representative of the county committee, and the date that such signature was affixed.

The original of the Form FCI-117-W shall be forwarded to the branch office with the proceeds, a copy transmitted to the State office, a copy retained in the county office, and a copy delivered to the warehouse purchasing the warehouse receipts.

The amounts received from warehouses for the sale of warehouse receipts shall be transmitted with other premium payments following the procedure set forth above.

C. Cash Items.—

ALL MONEY ORDERS SHOULD BE DRAWN PAYABLE TO THE TREASURER OF THE UNITED STATES AT THE CITY WHERE THE BRANCH OFFICE IS LOCATED TO WHICH THE PAYMENT IS SENT.

Receipts of premiums or the tender of deposits in cash, checks, bank drafts, or money orders shall be accepted in accordance with the 1941 Wheat Crop Insurance Regulations. Personal checks should be accepted only if the county committee is reasonably certain that they will clear for payment.

All checks and drafts shall be drawn payable to the Treasurer of the United States and shall be accepted subject to collection, and premiums or deposits shall not be regarded as paid unless collection is made.

If for any reason any check or draft tendered in payment of a premium does not clear for payment, Form FCI-112-W to which such check or draft relates shall be suspended and

Form FCI-118-W will not be issued. No further action with respect to such Form FCI-112-W will be taken by the Corporation unless payment is received in the form of a money order, and provided that such payment is made before the final date established by the Corporation for the submission of Forms FCI-112-W.

D. Preparation of Form FCI-113-W, Receipt.—

Prepare four copies of Form FCI-113-W.

Form FCI-113-W is *not* to be issued in those cases where all of the premium is being paid by an advance from the Secretary.

1. When Form FCI-113-W is prepared, do not insert the State and county code and application number as this information will be inserted when Forms FCI-112-W are listed on Form FCI-115-W by the county office in accordance with section IV of this procedure.

2. Enter the 1941 wheat listing sheet farm number(s) as shown in column 1 of Form FCI-103-W.

There shall also be inserted the identifying letters, if any, which are shown on Form FCI-103-W such as I, NI, W, S, or D.

3. Print or type the name of the applicant as shown on Form FCI-112-W.

4. Indicate by check mark the manner of payment; that is whether by money order, bank draft, cash, or check, or partly by an ACP advance and partly by money order, bank draft, cash, or check.

Enter the amount received by money order, bank draft, cash, or check.

5. If the premium was paid by warehouse receipt:

- (a) Enter the date of the warehouse receipt;
- (b) The number of the warehouse receipt;
- (c) Name and address of the issuing warehouse; and
- (d) The net bushels and the class and grade of wheat.

6. Enter the number of bushels or dollars representing payment of premium and the number of bushels or dollars representing a tender of a deposit for the payment of future premiums. Deposits must be tendered with Form FCI-112-W.

7. The person receiving the collection shall sign his name and indicate his title and the date of such collection in the appropriate spaces provided.

Cash collections shall be converted into money orders, and the money order fees shall be paid from the funds of the county agricultural conservation association as an expense of the crop insurance program.

Prepare Form FCI-113-W only for the amount of the cash collection in connection with the particular Form FCI-112-W.

SECTION IV. PREPARATION OF FORM FCI-115-W, TRANSMITTAL SHEET

A. Prior to the preparation of Form FCI-115-W:

1. Arrange all Forms FCI-112-W and the related Forms FCI-113-W received on a particular day in numerical order by 1941 wheat listing sheet farm numbers.

2. Application number shall be assigned consecutively to Forms FCI-112-W; and Form FCI-113-W shall be given the same application number as that assigned to the corresponding Form FCI-112-W. The State and county code shall be inserted on Form FCI-112-W and Form FCI-113-W.

One application number will be assigned to all applications for the same farm or to all applications for the same tract where separate applications are submitted in accordance with items 9, 10, and 11 of paragraph D of section I of this procedure. The letter L following the application number will indicate the application of a landlord, and the letter T will indicate the application of a tenant. In those cases where the applicant has 100-percent interest in the wheat crop, no identifying letter need be added.

3. Insert in column 3 of Form FCI-103-W, the 1941 crop insurance application number and the identifying letter L or T and determine that one application number has been assigned to all applications for the same farm.

4. (a) Insert in column 4 of Form FCI-103-W, the applicant's interest in the wheat crop,

if the applicant is the owner, or the owner-operator.

(b) Indicate in column 5 of Form FCI-103-W, the applicant's interest in the wheat crop, if the applicant is the operator of the farm.

B. Upon completion of the steps indicated in paragraph A above, prepare four copies of Form FCI-115-W.

1. Enter the applicable State and county code and transmittal sheet number assigned by the county office.

(a) The transmittal sheet numbers shall be assigned consecutively to each transmittal sheet beginning with No. 1 for the first transmittal sheet for each county.

(b) Where Forms FCI-112-W have been suspended, either by the county office or the State office and returned to the county office, the corrected or revised Form FCI-112-W shall be listed on a Form FCI-115-W plainly marked "Supplemental," but the transmittal sheet shall bear no number. In the column provided for use of the State committee, the county committee shall insert on such supplemental Form FCI-115-W the transmittal sheet number upon which the original application was listed.

2. For each Form FCI-112-W, on which a premium has been collected, either in the form of cash, money order, bank draft, cashier's check, personal check, warehouse receipt, application of deposit, or advance from the Secretary, enter the following information in the respective columns:

Column A: The application number as shown at the top of Form FCI-112-W.

Column B: The name of the applicant shown in paragraph 1 of Form FCI-112-W. This name must also agree with the signature of the applicant as it appears in paragraph 14 of Form FCI-112-W.

Column C: The total premium in bushels as shown in column B of paragraph 16 of Form FCI-112-W.

Where Form FCI-113-W indicates that a deposit for the payment of future premiums has been tendered, two entries should be made

in this column, one to cover the amount of deposit, which should be followed by the letter D to indicate that it is a deposit.

Column D: The deposit in bushels which has been applied toward payment of the 1941 wheat crop insurance premium, as shown in column C of paragraph 16 of Form FCI-112-W.

Column E: The cash equivalent of the premium due as shown in column H of paragraph 16 of Form FCI-112-W, if paid by money order, bank draft, cash, or check.

Do not enter any cash equivalent in this column when the premium was paid by means of an advance from the Secretary. Where premiums are paid by advances from the Secretary, entries for these applications need be made only in columns A, B, and C.

Column F: The amount in bushels as shown in column D of paragraph 16 of Form FCI-112-W, if paid by a warehouse receipt or other similar instrument acceptable to the Corporation.

Care should be taken to indicate the manner of payment in columns E and F.

The column provided for use of the State committee may be used by the county committee in those cases where suspensions have been made in accordance with paragraph H of section II of this procedure. The totals shall be inserted on each Form FCI-115-W, in the spaces provided.

Particular care should be exercised in totaling column C, "Premium bushels," column D, "Deposit applied bushels," column E, "Cash (money order, bank draft, cash or check)," and column F, "Warehouse Receipt," as this information is being utilized by the State offices and branch offices.

A member of the county committee or other authorized representative shall indicate his approval of Form FCI-115-W, by signing in the space provided. As the original of Form FCI-115-W is being transmitted directly to the branch office, the State office approval shall not be inserted on the original of Form FCI-115-W.

SECTION V. APPLICATION FOR FARMS NOT LISTED ON FORMS FCI-103-W

If Forms FCI-112-W are received for farms not listed on Form FCI-103-W, a supplemental Form FCI-103-W shall be prepared. Forms FCI-103-W shall be plainly marked "supplemental" at the top of the listing sheet. The Form FCI-112-W shall be fully executed and the premium collected and transmitted with the original Form FCI-115-W immediately to the branch office in accordance with this procedure. The supplemental Forms FCI-103-W and related Forms FCI-112-W shall be retained in the county office and transmitted at the close of the sign-up period or at such time that 25 or more Forms FCI-112-W have been received. The applicant should be advised that such yields and premium rates established for his farm are subject to approval. The county committee will accept these Forms FCI-112-W in the manner outlined in section II, paragraph H of this procedure.

These listing sheets shall be prepared in accordance with the procedure outlined in Form FCI-101-W for the preparation of listing sheets with the following exceptions:

1. In those counties where the yield and premium rates have been established for some of the wheat farms under the procedure outlined in Form FCI-101-W, the yield and rate for a farm listed on the supplemental Form FCI-103-W should be appraised on the basis of the yield and premium rate for a similar farm already listed and approved on Form FCI-103-W.

2. In those counties where yield and premium rates have not been established for any of the wheat farms in the county, the county committee shall appraise yields and rates. In no case shall this appraised yield exceed the Agricultural Conservation Program yield established for the farm. Nor shall the premium rate be lower than the county check premium rate established by the Corporation unless because of unusual conditions such as an irrigated farm in a county where most of the farms are not irrigated and it is obvious a lower rate

should be used. Where the lower rate is used, a memorandum must be submitted outlining all the facts relative to the establishment of the yield and premium rate for the farm. The original of this memorandum shall be attached to the original of Form FCI-112-W, and a copy shall be attached to the State office copy of Form FCI-112-W when these forms are transmitted to the State office. A copy of this memorandum shall also be attached to the county office copy of Form FCI-112-W.

SECTION VI. COMBINATIONS, DIVISIONS, SPECIAL PRACTICES, FIELD-RENTED TRACTS, IRRIGATED AND NONIRRIGATED PORTIONS ON THE SAME FARM, TRACT OR TRACTS WHICH VARY WIDELY FROM THE REMAINDER OF THE FARM

Where Form FCI-112-W is being submitted for two or more farms listed separately on Form FCI-103-W; for a portion of a farm previously listed on Form FCI-103-W; on the basis of special practices; or two or more farms or tracts combined under one operation under the Agricultural Conservation Program; or for field-rented tracts; or irrigated and nonirrigated portions on the same farm; or tract or tracts which vary widely from the remainder of the farm, the following cases outline the method to be used in inserting the acreage used for computation of premium, the adjusted average yield, and the premium rate.

CASE 1. *Where two or more farms listed separately on Form FCI-103-W have been combined into one farm.*—In the event two or more farms which have been listed separately on Form FCI-103-W, are under one owner and one operation in 1941 and therefore constitute one farm, the allotment for the combined farm shall be used. The yield for the combined farm shall be the weighted average yield and the premium rate shall be the weighted average premium rate (except where acreages under separate special practices have been carried as separate farms on the general listing sheets).

Example.—A owns two farms, one operated in the past by X, having a 100-acre wheat

acreage allotment, an adjusted average yield of 15 bushels, and a premium rate of 0.50 bushel, and the other operated by Y, having a 50-acre allotment, an adjusted average yield of 10 bushels per acre, and a premium rate of 1.00 bushel per acre. Both of these farms are to be operated in 1941 by Z as a farming unit. The adjusted average yield of 13.3 bushels for the combined farm is determined by multiplying the wheat acreage allotment for each farm by the adjusted average yield for that farm and dividing the sum of these products by the total of the allotments for the original farms ((100 acres times the adjusted average yield of 15 bushels) plus (50 acres times the adjusted

average yield of 10 bushels) equals 2,000, which when divided by the total acreage allotment of 150 acres equals the adjusted average yield for the combined farm of 13.3).

In like manner the premium rate for the combined farm will be determined by multiplying the premium rate for each farm by the acreage allotment for the farm, adding the products and dividing by the total of the allotments for the original farms ((100 acres times 0.50 bushel) plus (50 acres times 1.00 bushel) equals 100, which when divided by 150 acres equals 0.67, the premium rate per acre). See memorandum work sheet below, illustrating the method of determining yield and premium rates.

WORK SHEET

MEMORANDUM WORK SHEET TO BE USED IN DETERMINING YIELD AND PREMIUM RATES FOR TWO OR MORE FARMS LISTED SEPARATELY ON FORM FCI-103-W WHICH ARE BEING COMBINED INTO ONE FARM

Item	Combined farms	Farms to be combined	
	<i>a</i>	<i>b</i>	<i>c</i>
1. Wheat listing sheet farm No.....			
2. Crop insurance application No.....			
3. Name of landlord or tenant.....	Z	X	Y
4. Wheat acreage allotment.....	150	100	50
5. Adjusted average yield.....	13.3	15	10
6. Yield times acreage.....	2,000	1,500	500
7. Premium rate.....	.67	.50	1.00
8. Premium rate times acreage.....	100	50	50

To determine the adjusted average yield for the combined farm Z: (100 acres times the adjusted average yield of 15 bushels) plus (50 acres times the adjusted average yield of 10 bushels) equals 2,000. This divided by the total acreage allotment of 150 acres equals the adjusted average yield of 13.3.

To determine the premium rate for farm Z: (100 acres times 0.50 bushel) plus (50 acres times 1.00 bushel) equals 100. This divided by 150 acres equals 0.67, the premium rate per acre.

Illustrating use of work sheet for determining the yield and premium rate of two or more farms listed separately on Form FCI-103-W which are being combined into one farm.

CASE 2. *Division of listing sheet farms.*—In case a farm listed on Form FCI-103-W is being divided in 1941, the yield and premium rate should be the same for each of the farms resulting from such division if the newly created units *are similar* in soil type, topography, pro-

ductive capacity, and risk. Where the farms resulting from such a division *are different* in soil type, topography, productive capacity, or risk, which would indicate a different yield and premium rate for the newly created units, the county committee should establish an adjusted

average yield and premium rate for the new units at a figure which would result, when weighted by the acreage allotments for the new units, in an adjusted average yield and premium rate for the two farms which would be substantially the same as determined for the farm before it was divided.

Example.—A owns a farm having an allotment of 120 acres, an adjusted average yield of 15.1 bushels, and a premium rate of 1 bushel per acre. In 1941 this farm is divided into two farms, farm X and farm Y. The divided farm X has an allotment of 80 acres, and farm Y has an allotment of 40 acres. It will first be necessary to establish a yield for both farm X and farm Y by comparing with similar farms and taking into account the relative difference in production of the two farms.

In this case the county committee determines that farm X has an adjusted average yield of 18 bushels and farm Y has an adjusted average yield of 9 bushels. The sum of the products of the acreage allotment for farm X and the adjusted average yield for farm X, the acreage allotment for farm Y and the adjusted average yield for farm Y should approximate the product of the adjusted average yield and the acreage allotment for farm A. ((The allotment for farm X of 80 acres times the adjusted average yield of 18 bushels) plus (the allotment of 40 acres for farm Y times the adjusted average yield of 9 bushels) equals 1,800 bushels, which result must be substantially the same as the product of the adjusted average yield and the acreage allotment for farm A.)

In a like manner the premium rate for farm X and farm Y would be established. It would first be necessary to establish a premium rate on farm X and farm Y by comparing with similar farms and taking into account the relative

difference in risk between the two farms.

In this case the county committee has determined that the premium rate on farm X should be 0.60 bushel and the premium rate for farm Y should be 1.80 bushels. The sum of the products for the premium rate for farm X and the acreage allotment for farm X and the premium rate for farm Y and the acreage allotment for farm Y should be substantially the same as the product of the premium rate for farm A and the acreage allotment for farm A.

((The allotment for farm X of 80 acres times the premium rate of 0.60 bushel) plus (the allotment of 40 acres for farm Y times the premium rate of 1.80 bushels) should be substantially the same as (the allotment for farm A of 120 acres times the premium rate of 1.00 bushel for farm A)). See memorandum work sheet illustrating the method of determining yield and premium rates for divided farms.

For cases 1 and 2 outlined above, the data for the newly constituted farms (both combined and divided) should be entered on listing sheet(s) headed to indicate combined or divided farms. This listing sheet shall be retained in the county office. The county office shall also prepare a memorandum work sheet on a form similar to those shown on pages 19 and 21, respectively, for each farm, whether combined or divided, outlining the method of computing yield and premium rates. Copies of the memorandum work sheet shall be attached to the State office copy, the branch office copy, and the county office copy of Form FCI-112-W, and also to Form FCI-103-W on file in the county office.

A notation should be made on Form FCI-103-W indicating that the data for the original farm has been transferred to a combined or divided farm listing sheet.

WORK SHEET

MEMORANDUM WORK SHEET TO BE USED IN DETERMINING YIELD AND PREMIUM RATES FOR A SUBDIVIDED FARM

Item	Farm to be divided <i>a</i>	Farms after division	
		<i>b</i>	<i>c</i>
1. Wheat listing sheet farm No.....			
2. Crop insurance application No.....			
3. Name of landlord or tenant.....	A	X	Y
4. Wheat-acreage allotment.....	120	80	40
5. Adjusted average yield.....	15. 1	18	9
6. Yield times acreage.....	1, 812	1, 440	360
7. Premium rate.....	1. 00	. 60	1. 80
8. Premium rate times acreage.....	120	48	72

To determine the adjusted average yield: (The allotment for farm X of 80 acres times the adjusted average yield of 18 bushels) plus (the allotment of 40 acres for farm Y times the adjusted average yield of 9 bushels) equals 1,800 bushels. This is approximately equal to the figure 1,812 shown in 6a.

To determine the premium rate: (The allotment for farm X of 80 acres times the premium rate of 0.60 bushel) plus (the allotment of 40 acres for farm Y times the premium rate of 1.80 bushels) equals 120 bushels. This is equal to the figure 120 shown in 8a.

Illustrating use of work sheet for determiniug the yield and premium rates for subdivided farm.

CASE 3.—*Special practices*.—Where Forms FCI-112-W are prepared on the basis of special practices, the entry in column A of paragraph 16 of Form FCI-112-W shall be that portion of the 1941 wheat-acreage allotment or permitted acreage that the applicant intends to seed to wheat for each such practice.

CASE 4. *Two or more farms or tracts combined under one operation under the Agricultural Conservation Program but are under different ownerships*.—If two or more farms or tracts are combined under one operation under the Agricultural Conservation Program, but are under different ownerships and the operator desires to utilize the total allotments, a Form FCI-112-W should be executed for each separately owned tract of land included in the combination in order that the allotments for all the farms may be insured, even though it is intended that all or a portion of the allotments will be planted on one farm. In such cases

the allotment for each farm shall be inserted in column A of paragraph 16 of each Form FCI-112-W, executed for each farm.

CASE 5. *Field-rented tracts*.—In those cases where Forms FCI-112-W are being submitted on field-rented tracts, two or more of which make up a farm for the Agricultural Conservation Program, and the acreage allotments will not be established for each of these tracts, Form FCI-112-W shall be submitted based on the acreage that the applicant intends to seed to wheat. Insofar as possible, all the Forms FCI-112-W of the landlord and all Forms FCI-112-W of the operators should be submitted at the same time.

In case the total acreage to be seeded to wheat on the various tracts composing the farm is in excess of the farm wheat allotment or permitted acreage, then the acreage used for the computation of premium on each Form FCI-112-W as shown in column A of paragraph 16

shall be the same proportion of the acreage to be seeded on that tract that the farm allotment or permitted acreage is of the total acreage to be seeded on the farm.

The adjusted average yield and premium rate for each of these tracts shall be the yield or premium rate established for the farm as shown on Form FCI-103-W. However, where the adjusted average yield or premium rate for the farm is not applicable to the field-rented tract(s), the county committee may decrease the adjusted average yield or increase the premium rate for such tract(s).

CASE 6. *Application covering only spring wheat where both winter and spring wheat are to be seeded on the farm.*—Where Form FCI-112-W is submitted after the final date for the receipt of winter wheat applications in the county office covering only spring wheat to be seeded on a farm where winter wheat has been seeded on acreage other than the acreage to be seeded to spring wheat, the acreage used for computation of premium in column A of paragraph 16 of Form FCI-112-W should be the acreage allotment less the acreage actually seeded to winter wheat on the farm.

CASE 7. *Applications submitted for irrigated and nonirrigated land.*—Where a farm contains both irrigated and nonirrigated land and the adjusted average yield and premium rates for such irrigated and nonirrigated land are shown separately under general listing sheets for a county, two Forms FCI-112-W shall be submitted for the same farm; one Form FCI-112-W shall be submitted for the irrigated portion of the farm, and the other Form FCI-112-W shall be submitted for the nonirrigated portion of the farm. The acreage used for the computation of premium as shown in column A of paragraph 16 of Form FCI-112-W shall be that portion of the 1941 wheat-acreage allotment or permitted acreage that the applicant intends to seed to wheat for each practice. The total acreage used for the computation of premium for irrigated and nonirrigated portions for the same farm must equal the total acreage allotment or permitted acreage.

Where a farm contains land that is irrigated

in some years and not irrigated in other years, one Form FCI-112-W shall be submitted covering both the irrigated and nonirrigated portions of the farm on the basis of the yield and premium rates established on the special practice listing sheets. The acreage used for the computation of premium in column A of paragraph 16 of Form FCI-112-W shall be that portion of the 1941 wheat-acreage allotment or permitted acreage that the applicant intends to seed to wheat for each practice. The total acreage used for the computation of premium for irrigated and nonirrigated portions for the same farm must equal the total acreage allotment or permitted acreage.

CASE 8. *Where any tract or tracts of a farm vary widely from the remainder of such farm.*—Where separate Forms FCI-112-W have been submitted for individual tracts because such tracts vary widely from the remainder of the farm in productivity, topography, farming practices, or risk of loss, the acreage used for the computation of premium as shown in column A of paragraph 16 of Form FCI-112-W shall be the acreage that the applicant intends to seed to wheat on each of such tracts. Forms FCI-112-W must be submitted for each of the tract or tracts within the farm, and the total acreage used for the computation of premium on all of these tracts shall equal the acreage allotment or permitted acreage for the farm.

In case the total acreage to be seeded to wheat on the various tracts composing the farm is in excess of the farm wheat allotment or permitted acreage, then the acreage used for the computation of premium on each Form FCI-112-W as shown in column A of paragraph 16 shall be the same proportion of the acreage to be seeded on that tract that the farm allotment or permitted acreage is of the total acreage to be seeded on the farm. Separate yields and premium rates shall be appraised for each of the parts into which the farm is divided. The weighted average of the separate yields for all parts or tracts shall be equal to the yield established for the whole farm as shown on Form FCI-103-W. The weighted average of the premium rates established for the separate parts of the farm

shall not be less than the premium rate established for the whole farm on Form FCI-103-W. If the 1940 premium rate for the whole farm was established on the basis of the history of the annual yields during the 9-year period 1930-38, or if it was appraised with due consideration given to the size and location of the acreage, the average of the new 1941 premium rates established for the separate parts of the farm should be higher than the premium rate shown on Form FCI-103-W.

In general, the cost of insurance is higher on several separate tracts than on a combination of such tracts. If all tracts are included under one insurance contract, a loss on one tract from hail or flood or some other cause may be offset by a high or average yield on one of the other tracts. If a separate contract was written on each tract, a loss might be payable under one of the contracts; whereas, if all tracts are combined under one contract, no loss would be payable because the high or even average production on some of the other tracts would offset the losses. Thus, in appraising new premium rates for separate tracts where the farm is to be divided under this provision, the county committee should give careful consideration to increasing the premium rate unless the size and distribution of the acreage was not considered in appraising the 1940 rate.

Forms FCI-112-W for each of these tracts shall be submitted to the State office at the same time accompanied by a memorandum similar to that set forth in case 2, which memorandum should also outline reason(s) for considering the tract or tracts as a separate farm and the basis for the establishment of a new adjusted average yield and premium rate. The original of this memorandum shall be attached to the original Form FCI-112-W, a copy attached to the State office copy of Form FCI-112-W, and a copy attached to the county office copy of Form FCI-112-W.

This procedure should not be used generally, but should be used only when justified by special circumstances.

SECTION VII. RECOMPUTATION OF DEPOSIT

If the class of wheat designated on Form FCI-112-W differs from that shown on Form FCI-114-W, the deposit shall be recomputed by multiplying the deposit in bushels by the current basic market price, less price differential, for the class of wheat specified on Form FCI-114-W and dividing the result by the current basic market price, less price differential, for the class of wheat specified on Form FCI-112-W.

Example.—A owns and operates a farm in Jersey County, Ill., and has on deposit with the Corporation 90 bushels of wheat as shown on Form FCI-114-W. This deposit was computed by using No. 2 Red Winter Wheat for the farm, according to Form FCI-114-W. Form FCI-112-W for A shows that he wishes to pay his premium in No. 2 Soft White Wheat. The transportation rate from Jersey County, Ill., to the basic market in Chicago is \$0.09. The most recent wheat price card shows the price at Chicago for No. 2 Red Winter Wheat is \$0.90 and for No. 2 Soft White Wheat is \$0.80.

The deposit for A in No. 2 Soft White Wheat would be arrived at by multiplying his deposit of 90 bushels by the current basic market price (\$0.90) less price differential (\$0.09) for No. 2 Red Winter Wheat and dividing the result (90 times \$0.81 equals \$72.90) by the current basic market price (\$0.80) less price differential (\$0.09), for No. 2 Soft White Wheat (\$72.90 divided by \$0.71 equals 102.6 bushels or 103 bushels).

The deposit shall be shown in bushels. Each application on which the deposit has been recomputed should be accompanied by a work sheet similar to the attached showing the data used in determining the recomputed deposit. The original of this work sheet should be attached to the original of Form FCI-112-W, and a copy attached to the State office copy of Form FCI-112-W, when Form FCI-112-W is forwarded to the State office. A copy shall also be attached to the county office copy of Form FCI-112-W.

Transfers of deposits between counties in the same or different States may not be made without the approval of the Corporation. In the event that the depositor has moved to a different county, the deposit, made in the county in which he insured his 1940 wheat crop, will be refunded by the Corporation, unless the

deposit has been recomputed by the Corporation prior to the time that Form FCI-112-W is prepared. The county committee should request the State office to recompute the amount of the deposit in those cases where transfers of deposits have been approved and are to be made between the counties.

(State and county code and application number)

WORK SHEET FOR RECOMPUTATION OF DEPOSIT

Name of applicant_____A_____

Location of farm_____Jersey County, Illinois_____

1. Amount of deposit_____90_____

(Per FCI-114-W) (Bushels)

2. Basic market_____Chicago, Illinois_____

	(a) (On FCI-114-W)	(b) (On FCI-112-W)
3. Class of wheat-----	No. 2 Red Winter Wheat	No. 2 Soft White Wheat

4. Basic market price-----	\$0. 90	\$0. 80
Wheat price card serial No. 6		

5. Price differential-----	0. 09	0. 09
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6. Net price (item 4 less item 5)-----	0. 81	0. 71
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7. Present value of deposit at county in class of wheat shown on Form FCI-112-W (item 1×6 (a))-----	72. 90	
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8. Recomputed deposit (item 7 divided by 6 (b))-----	102. 6 bushels
	or
	rounded
	to
	103 bushels

SECTION VIII. ELIGIBILITY FOR AN ACP ADVANCE

1. The county committee shall determine that, to the best of their knowledge and belief, the person who applies for an advance will participate in the 1941 Agricultural Conservation Program and will earn a net payment large enough to liquidate that part of his premium payment covered by his application for an advance from the Secretary.

2. After the approximate amount of the

premium(s) has been determined, the county committee shall compute an estimate from available data of the total payment which the applicant may earn under the 1941 Agricultural Conservation Program based primarily on the net payment earned or to be earned under the 1940 Agricultural Conservation Program adjusted with respect to any increase or decrease in the size of the farm or tract operated in 1941. From such estimated total payment deduct the following items:

(a) County association expense applicable to the 1941 Agricultural Conservation Program.

(b) 1941 Grants in aid.

(c) Any amounts appearing on the register of indebtedness which the county committee believes will not be set off against payments earned by the applicant prior to the 1941 Agricultural Conservation Program.

(d) The amount(s) of any 1941 assignment(s) which may have been executed.

3. If, after the above items have been deducted, there is a sufficient balance of the total estimated payment to cover the amount of the advance, the request for such advance may be approved.

In the event the applicant signs item 14 (b) requesting an advance but the estimated payment which will be due, after the deductions listed in paragraph 2 above have been made, is less than the premium due, an amount in cash, check, money order, bank draft, or warehouse receipt, at least equal to the difference between the estimated payment and the premium due should be collected before such request for advance is approved by the county committee.

SECTION IX. PREPARATION OF FORM FCI-112A-W FOR OWNERS, LANDLORDS, OR OPERATORS OF TWO OR MORE FARMS IN THE SAME COUNTY

At least 1 month prior to the final date for the receipt of Forms FCI-112-W in the county office, the county committee shall request institutional owners, landlords, or operators of more than one farm in a county to submit a list of the farms upon which such owner, landlord, or operator wishes to obtain crop insurance. Similar requests may be directed to other owners, operators, or landlords owning or operating two or more farms in the same county where the county committee believes that it is economical and desirable to do so.

Upon receipt of this listing, the county committee shall prepare Form FCI-112A-W, Schedule Application for Wheat Crop Insurance,

and Forms FCI-112-W in the following manner:

1. In order to facilitate the preparation of Form FCI-112A-W and for cross-reference purposes in the county, State, and branch offices, prepare four copies of Form FCI-112-W for each individual farm in the manner outlined in section II of this procedure except that paragraphs 6, 14, and 15 shall not be executed, and there shall be inserted in paragraph 16 only the acreage used for computation of premium, the total premium, the 1940 deposit applied, and the net premium.

The application number will not be assigned nor will Form FCI-115-W be prepared until the signed master Form FCI-112-W together with the premium collection have been received in the county office.

2. When the individual Forms FCI-112-W for each farm have been prepared in the manner outlined in paragraph 1 above, prepare four copies of Form FCI-112A-W inserting thereon the following information:

(a) The State and county code number.

(b) The schedule letter assigned to the particular owner, landlord, or operator by the county committee.

These schedule letters should be assigned in alphabetical order to each owner, landlord, or operator for whom form FCI-112A-W is being prepared.

For example: If Form FCI-112A-W is being prepared for an owner, landlord, or operator with numerous farms requiring the preparation of five sheets of Form FCI-112A-W, the schedule letter, which has been assigned to the particular owner, landlord, or operator shall be indicated on all five sheets of Form FCI-112A-W.

(c) The sheet number and the total number of sheets comprising the schedule.

For instance, in the example set forth in paragraph (a) above, on Sheet No. 1 the information would appear as follows: Sheet No. 1 of 5 sheets. On Sheet No. 2: Sheet No. 2 of 5 sheets, etc.

(d) The name and address of the owner, landlord, or operator.

(e) The following information shall be inserted from Form FCI-112A-W from the individual Forms FCI-112-W:

1. *Column B*: The 1941 wheat listing sheet farm number.

2. *Column E*: The total acres in the farm.

3. *Column F*: The farm name, location of farm, or description of the farm.

4. *Column G*: The adjusted average yield for the farm. Where Form FCI-112-W was prepared on the basis of special practices, each practice shall be listed on a separate line of Form FCI-112A-W.

5. *Column H*: The insured percentage.

6. *Column I*: Applicant's interest in the wheat crop.

7. *Column J*: Premium rate per acre.

8. *Column L*: The acreage used for the computation of premium.

9. *Column M*: The net premium.

(f) Indicate in column D the name of the operator or other person(s) interested in the wheat crop.

(g) Where the county differential is being used, do not use the spaces provided on Form FCI-112A-W for the insertion of the local delivery point or the cash equivalent.

Where the local delivery point is being used rather than the county differential, the name of the delivery point shall be inserted in column K and the cash equivalent must be computed separately for each application shown on Form FCI-112A-W.

(h) If the owner, landlord, or operator has submitted a farm identification symbol with his request for wheat crop insurance, this symbol shall be indicated in column C of Form FCI-112A-W.

(i) Insert on the last sheet of the schedule, the totals of column E, "Total acres in the farm," column L, "Acreage used for computation of premium," and column M, "The net premium." In those cases where the local delivery point was used instead of the county differential, insert also the total of column N, "Cash equivalent."

3. After Form FCI-112A-W has been prepared, a master Form FCI-112-W shall be completed as follows:

(a) Insert the name and address of the owner, landlord, or operator in paragraph 1.

(b) Insert in paragraphs 3, 4, and 5 the notation, "See schedule attached."

(c) Insert in paragraph 6 the class of wheat to be used as the basis for the payment of premium and indemnity.

This class of wheat must be the same for all farms listed on Form FCI-112A-W.

(d) Insert the current date in both paragraph 14 (a) and paragraph 14 (b).

(e) Insert in paragraph 16:

1. The name of the basic market, the wheat price card serial number for the dates appearing in paragraph 14, and the total acreage used for computation of premium as shown in column L of Form FCI-112A-W.

2. In column D the total net premium as shown on the last sheet of the schedule and entered in column M of Form FCI-112A-W in accordance with paragraph 2 (i) above.

3. In column E the applicable basic market price.

4. In column F the price differential only where the county rate is being used.

It will be necessary to insert the price differential for each application on Form FCI-112A-W and to make each computation individually only in those cases where the county rate is not used. In these cases the total of column M, "Cash equivalent," will be shown on the master Form FCI-112-W.

5. In column G the net price.

6. The cash equivalent in column H, being the product of column D times column G.

In those cases where the county rate is not used, this computation shall not be made as the cash equivalent will be taken from the total of column N of Form FCI-112A-W.

In those cases where the class of wheat shown on Form FCI-114-W differs from the class of

wheat shown on the master Form FCI-112-W, or the deposit has been transferred from another county, the computation of the deposit in bushels must be handled in accordance with section VII of this procedure.

When the information outlined above has been inserted on the master Form FCI-112-W and on Form FCI-112A-W, such forms shall be forwarded to the owner, landlord, or operator for signature and the payment of premium. Do not transmit the individual Forms FCI-112-W to the owner, landlord, or operator, as these forms are prepared for cross-reference purposes and should be filed in the county office until the master Form FCI-112-W is returned.

The owner, landlord, or operator should be advised that if payment is made in cash, paragraph 14 (a) shall be signed, and if payment is made by an advance from the Secretary, paragraph 14 (b) shall be signed.

The owner, landlord, or operator should be further advised that all copies of the master Form FCI-112-W and all copies of the related Forms FCI-112A-W, accompanied by the premium, if payment is made by money order, bank draft, cash, or check, must be submitted to the county office within 2 weeks, and *in no event later* than the final date established by the Corporation for the submission of applications. (See sec. II, par. H, and sec. I, par. K, of this procedure.)

Upon receipt of the master Form FCI-112-W and the related Forms FCI-112A-W in the county office:

1. Assign application numbers to the individual Forms FCI-112-W in the manner outlined in section IV of this procedure.

2. Indicate in column A of Form FCI-112A-W the application numbers as shown on the individual Forms FCI-112-W.

3. List on Form FCI-115-W the individual application numbers and related information for each of these applications.

Do not list on Form FCI-115-W the total as shown by the master Form FCI-112-W.

4. Form FCI-115-W and the cash collections, if any, shall be handled in accordance with sections III and IV of this procedure.

5. The master Form FCI-112-W shall be accepted by the county committee in accordance with the procedure set forth in paragraph H of section II of this procedure.

6. After acceptance by the county committee, the applicant's copy of the master Form FCI-112-W and the accompanying Form FCI-112A-W shall be transmitted to the applicant.

It is to be noted that the distribution of the individual Forms FCI-112-W will be made in the regular manner, except that the applicant's copy will not be transmitted to the owner, operator, or landlord, but shall be filed in the county office unless the owner, operator, or landlord specifically requests his copy of the unsigned individual Forms FCI-112-W.

SECTION X. APPLICATIONS SUSPENDED BY THE STATE OFFICE

Forms FCI-112-W suspended by the State office will be accompanied by a memorandum outlining the necessary corrections or revisions that are to be made by the county office. Where the adjusted average yield is being reduced, or the premium rate per acre is being increased, or the insured percentage is changed, or the applicant's interest in the wheat crop is changed after Form FCI-112-W has been signed by the applicant, each item which has been corrected shall be initialed by the applicant. Where changes of this type are made after the acceptance by the county committee, each revised item should also be initialed by the county committee and the new date of acceptance shall be indicated by drawing a line through the original date of acceptance and inserting the current date. All other changes on Form FCI-112-W need not be initialed by the applicant.

If additional premium is due, it shall be collected as soon as possible. The cash equivalent of any additional payment supplementing a premium payment shall be determined by multiplying the number of bushels of wheat of the applicable class and grade constituting such additional payment, *by the price of such wheat used for the computation of the original pre-*

mium payment. Any refunds will be made after the "Notice of Seeding" has been submitted and the Corporation has approved the application by issuance of a "Notice of Confirmation." Supplemental premium collections shall be listed on Form FCI-115-W, plainly marked "Supplemental," and the collections shall be forwarded daily directly to the branch office. In preparing Form FCI-115-W, for supplemental collections, no transmittal sheet number shall be entered in the space provided at the top of Form FCI-115-W. In the column provided for the use of the State committee, the county committee shall insert the transmittal sheet number upon which the original application was listed.

The distribution of the supplementary Form FCI-115-W, and the corrected Forms FCI-112-W, or Forms FCI-113-W, is to be made in accordance with paragraph E of section XIII of this procedure.

SECTION XI. NOTICE OF ACKNOWLEDGMENT OF FORMS FCI-115-W, FORMS FCI-117-W, AND CASH ITEMS

Upon receipt of the original (salmon copy) of Form FCI-116-W, note the remarks listed on this form and make the necessary corrections on all county office forms affected by such changes.

SECTION XII. NOTICE OF CONFIRMATION

Upon receipt of Form FCI-118-W, attach to county office copy of Form FCI-112-W.

SECTION XIII. DISTRIBUTION OF FORMS

The following distribution shall be made of the forms used in this procedure:

A. Form FCI-112-W, Application for Wheat Crop Insurance.

Original (white) forwarded to State office for transmittal to the branch office.

Copy (yellow) given to the applicant.

Before the applicant signs Form FCI-112-W the county committee shall furnish him with a copy of the 1941 Wheat Crop Insurance Regulations.

The applicant shall not be given his copy of Form FCI-112-W until the certification

and acceptance by the county committee has been properly executed.

Copy (green) for State office files.

Copy (salmon) retained in the county office files.

B. Form FCI-112A-W, Schedule Application for Wheat Crop Insurance.

The distribution of Form FCI-112A-W will correspond with the distribution of Form FCI-112-W where such form has been executed. The individual Forms FCI-112-W, which were prepared for cross-reference purposes, will be distributed in the manner outlined in paragraph A above, except that the applicant's copy of such individual Form FCI-112-W will not be forwarded to the owner, landlord, or operator, unless specifically requested by such owner, landlord, or operator.

C. Form FCI-113-W, Receipt.

Original (white) given to the applicant at the time the premium is paid.

Copy (yellow) forwarded directly to the branch office, accompanied by premium collection, together with Form FCI-115-W.

D. Form FCI-114-W, Deposits To Be Applied Toward Payment of 1941 Wheat Crop Insurance Premium.

Original (white) forwarded by branch office to the county office.

Copy (green) forwarded by branch office to the State office for filing.

Copy (yellow) retained in branch office files.

E. Form FCI-115-W, Transmittal Sheet.

Original (white) transmitted daily direct to branch office accompanied by Form FCI-113-W and all premium collections.

Copy (green) forwarded to the State office at the time Forms FCI-112-W are sent to the State office.

Copy (yellow) forwarded to the State office at the time Forms FCI-112-W are sent to the State office and will be transmitted to the branch office with Forms FCI-112-W.

Copy (salmon) retained in the county office files.

F. Form FCI-116-W, Notice of Acknowledgment of Forms FCI-115-W, Forms FCI-117-W, and Cash Items.

Original (salmon) transmitted by branch office to State office for forwarding to the county office.

Copy (green) forwarded by branch office to State office for filing.

Copy (yellow) retained in the branch office files.

G. Form FCI-117-W, Certification of Sale of Warehouse Receipts.

Original (white) forwarded daily direct to the branch office accompanied by proceeds of sale of warehouse receipts.

Copy (yellow) retained by warehouseman purchasing the warehouse receipts.

Copy (green) sent to the State office for filing.

Copy (salmon) retained in the county office files.

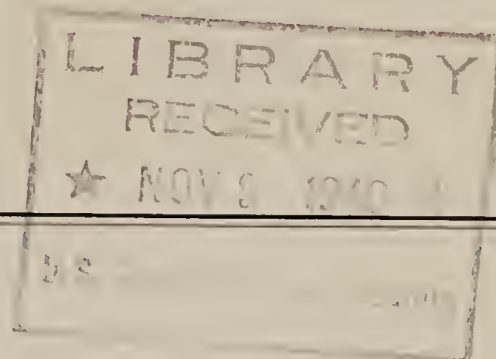
H. Form FCI-118-W, Notice of Confirmation of Acceptance.

Original (white) sent to the applicant by the branch office.

Copy (yellow) retained in branch office files.

Copy (green) forwarded by branch office to State office for filing.

Copy (salmon) will be forwarded by branch office to the State office for forwarding to county office, where it shall be attached to county office copy of Form FCI-112-W.



SECTION XIV OF THE COUNTY APPLICATION PROCEDURE

WHEAT CROP INSURANCE



UNITED STATES DEPARTMENT OF AGRICULTURE
FEDERAL CROP INSURANCE CORPORATION
WASHINGTON, D. C.

Issued July 23, 1940

SECTION XIV. ASSIGNMENTS AND TRANSFERS OF INTEREST

A. Signatures.

All signatures and evidence of authority relative thereto shall be in accordance with the instructions to the county agricultural conservation association as outlined in ACP-16, "Instructions on Signatures and Authorizations."

In those cases where the county committee is not absolutely certain that the person signing Form FCI-120-W or Form FCI-121-W has authority to act, evidence of such authority shall be obtained and filed in the county office. In case any notice of confirmation is, or will be, issued in the names of two or more persons jointly, and the insurance contract is assigned or transferred, a Form FCI-120-W or a Form FCI-121-W, whichever is applicable, shall be executed jointly.

B. Limitations on Transfers and Assignments.

Except as is otherwise provided in sections 81 and 82 of FCI—Regulations 101-W, "1941 Wheat Crop Insurance Regulations," neither the insurance contract nor any claim for indemnity thereunder, or any part or share thereof, or any interest therein, shall be transferable; nor shall any pledge of the contract be recognized. Notwithstanding any assignment, power of attorney, order, or other authority for receiving payment of any claim for indemnity under the insurance contract, any indemnity payable shall be made only to persons entitled to the benefit of the insurance contract as provided in Form FCI-112-W and FCI—Regulations 101-W. The Corporation shall in no case be bound to accept notice of any transfer or assignment of the insurance contract, and nothing therein contained shall give any right against the Corporation to any person other than the insured except to a transferee or assignee approved by the Corporation.

C. Effect of Assignments.

All assignments shall be subject in all respects to the provisions of the insurance contract.

D. Collateral Assignment of Insurance Contract.

1. Form FCI-120-W, "Collateral Assignment," is prescribed by the Corporation for use in all cases where assignments are being made. Assignments may be made at any time after the application is accepted by the county committee on behalf of the Corporation, subject to the approval of the Corporation and to the conditions set forth in FCI—Regulations 101-W. An advance from the Secretary to pay the premium for any insurance contract is not to be considered as an assignment. Where the premium for an insurance contract has been paid by means of an advance from the Secretary and an indemnity is payable under such insurance contract, then any assignment or transfer made in connection therewith shall be subject to deduction for the repayment to the Secretary of the unrecovered amount advanced.

2. An insurance contract may be assigned as collateral security for:

(a) *A current loan.*—By current loan is meant the amount of the indebtedness for the particular crop year, and not the carry-over of a preceding year's indebtedness which is placed in the status of a current loan merely by the inclusion in a current note or other evidence of indebtedness.

(b) *Current advances for equipment or supplies to assist in the making of a crop for the current crop year.*—These current advances may include the current annual installment on equipment but shall not include any past due installments carried over from other crop years.

(c) *Payments due under existing agreements.*—The amount of the current year's rental due under a leasing agreement with respect to the farm upon which the insured crop is or will be seeded, or the amount of the current annual installment due under a purchase, mortgage, or trust agreement covering the purchase of the farm upon which the insured crop is or will be seeded, and an additional amount of any delinquency which may be due under the purchase, mortgage, or trust agreement of not to exceed the amount of the current annual installment including interest and taxes.

3. *Limitation.*—Only one collateral assignment will be recognized in connection with an insurance contract. A release, however, may be executed for a collateral assignment previously filed and a new assignment may be executed in favor of the original assignee or another.

4. *Approval.*—The approval of Form FCI-120-W by the Corporation will be evidenced by the signature of the Manager and the counter-signature of a member of the county committee. The approval of an assignment by the county committee on behalf of the Corporation shall not create in the assignee any right other than that derived from the assignor.

The original and two copies of all approved Forms FCI-120-W shall be retained in the county office until such time that Form FCI-167-W, "Statement in Proof of Loss," is submitted to the State office. In the event a loss is sustained, Form FCI-120-W shall be submitted to the State office with the related Form FCI-167-W.

5. *Preparation and execution of Forms FCI-120-W.*—The following information shall be inserted on the original and four copies of Form FCI-120-W:

(a) The State and county code and application number.

(b) *In Part I.*—(1) The typed or printed name of the assignor and his full mail ad-

dress. Determine that the name of the assignor is the same as that shown on Form FCI-112-W, and Form FCI-118-W, if issued.

(2) The names of the county and State in which the assignor resides.

(3) The amount of the cash consideration.

(4) The typed or printed name of the assignee and his full mail address.

(5) The names of the county and State in which the assignee resides.

(6) The signature of the assignor.

(7) The signature of a disinterested person witnessing the signature of the assignor.

(8) The date Form FCI-120-W is signed by the assignor.

(9) The signature of the assignee.

(10) The signature of a disinterested person witnessing the signature of the assignee.

(11) The date Form FCI-120-W is signed by the assignee.

(12) The date and hour that the assignment was filed in the county office shall be inserted by a member of the county committee.

(c) *In Part II.*—Where Form FCI-120-W has been examined by a representative of the county committee and found to be acceptable to the Corporation, a member of the county committee shall sign in the space provided in part II. The date and place of signature shall also be inserted.

6. *In Part III.*—If at the time of loss the indebtedness has been liquidated in whole or in part, the assignee shall execute the original and four copies of part III, representations of assignee, of the same or another set of Form FCI-120-W, indicating therein the amount of indebtedness still undischarged by the assignor. In the event the indebtedness has been fully liquidated at the time of loss, a memorandum of release prepared in accordance with the instructions given below in paragraph 7 of subsection D will serve the same purpose as the

execution of part III of Form FCI-120-W. If part III of another set of Form FCI-120-W has been executed, a copy shall be transmitted to the assignor, a copy transmitted to the assignee, and the original and two copies attached to the respective original and two copies of Form FCI-120-W which have been retained in the county office.

Forms FCI-120-W together with attachments, if any, shall be carefully filed in the county office as in the event of loss these forms must be examined to ascertain the status of the indebtedness. If the indebtedness has been fully liquidated, Form FCI-120-W shall be retained in the county office. However, if there is still an amount due the assignee at the time of loss, the original and one copy of Form FCI-120-W with attachments, if any, shall be forwarded to the State office with Form FCI-167-W.

7. *Memorandum of release of assignment.*—When the indebtedness in respect to which the assignment was given is paid or otherwise discharged, prior to the time an indemnity payment is made by the Corporation to the assignor, a memorandum of release may be executed in lieu of part III of another Form FCI-120-W. This memorandum of release must be prepared in writing setting forth the name of the assignor and his full mail address and the place and date of execution and must be signed by the assignee in the presence of a disinterested person who shall sign the memorandum as a witness to the assignee's signature. In the event of the death, incompetency, insolvency, or bankruptcy of the assignee, the release memorandum must be executed by the person or persons authorized by law to administer the personal estate of the assignee. Proper evidence of the authority of such person or persons must be presented in accordance with Form ACP-16.

Upon execution of a release, it should be delivered to the county committee for the county in which the farm covered by the insurance contract is located. This memorandum of release will be attached to the copies of Form FCI-120-W filed in the county office and no further action with respect to the related Form FCI-120-W need be taken.

E. Notice of Transfer.

Form FCI-108-W, "Notice of Transfer, Harvest, Removal, or Other Use of Wheat Crop," is prescribed by the Corporation as the form to be used in advising the county committee of all cases of transfers of interest or transfers of acreage. Form FCI-108-W shall be made available to all insured persons for use in every case of transfer.

1. *Preparation and execution of Form FCI-108-W.*—Immediately after a transfer has taken place, the insured shall prepare part I of Form FCI-108-W and shall forward such form to the county office.

F. Transfer of Interest.

Form FCI-121-W, "Transfer of Interest," is prescribed by the Corporation for use in connection with the voluntary transfer by the insured of *all or part of his interest in the entire insured crop* prior to the time of loss.

1. Form FCI-121-W may be executed at any time after Form FCI-112-W is accepted by the county committee on behalf of the Corporation provided that such transfer is made before the time of loss.

2. The Corporation shall in no case be bound to accept notice of any transfer of the insurance contract, and nothing herein contained shall give any right against the Corporation to any person other than the insured except to a transferee approved by the Corporation.

G. Method of Effecting Transfers of All or Part of the Interest in the Entire Insured Crop.

Form FCI-108-W shall be executed by the insured and transmitted to the county committee in every case of a transfer of all or a portion of the interest in the entire insured crop.

1. Transfers of all or a portion of the interest in the entire insured crop may be effected in the following manner:

(a) If the transfer of interest takes place after Form FCI-112-W is executed but before the final date for the receipt of

applications in the county office or the beginning of the seeding of the wheat crop, whichever occurs first, a revised Form FCI-112-W showing the correct interest in the wheat crop of the transferor may be prepared. The transferee may submit Form FCI-112-W provided that such Form FCI-112-W is submitted to the county office before the final date for the receipt of applications in the county office or the beginning of the seeding of the wheat crop, whichever occurs first.

(b) If the transfer of interest takes place after the final date for the receipt of applications but before the beginning of the seeding of the wheat crop, Form FCI-121-W should be executed by both the transferee and the transferor.

If the change occurs after the final date for the receipt of applications in the county office and before the time of seeding but Form FCI-121-W is not executed before the beginning of the seeding of the wheat crop, the decrease of interest will be adjusted at the time that Form FCI-119-W is prepared and the transferee will not be permitted to obtain insurance on his interest in the crop.

(c) If the transfer of interest takes place after the beginning of the seeding of the wheat crop but before the time of loss, Form FCI-121-W should be executed by the transferee and the transferor.

If Form FCI-121-W is not executed before the time of loss, the indemnity payment will be made to the transferor for his interest in the wheat crop at the time of loss.

2. The following information shall be inserted on the original and four copies of Form FCI-121-W:

(a) The State and county code and application number.

(b) *In Part I.*—(1) The typed or printed name of the transferee and his full mail address.

(2) Enter in the first space provided, the amount in percent which represents the

percentage of the transferor's interest in the insurance contract that is being transferred.

Example: A, the landlord of a farm, with a 60-percent interest in the wheat crop is transferring 50 percent of his interest in the insurance contract.

Enter in this space 50 percent which represents the percentage of A's interest in the insurance contract that is being transferred.

(3) Enter in the next two spaces provided, the percentages of interest that the transferee and transferor respectively will have in the wheat crop on the farm covered by the insurance contract after the transfer is effected.

Example: A, the transferor, is the landlord of the rented farm with a 60-percent interest in the insured crop and is selling one-half of his interest to B, the transferee.

Enter 30 percent in the space provided to represent the transferee's interest and also enter 30 percent in the space provided to represent the transferor's interest in the insured crop.

(4) The signature of the transferor.

(5) The date Form FCI-121-W is signed by the transferor.

(6) The signature of a disinterested person as a witness to the signature of the transferor.

(7) The signature of the transferee.

(8) The date Form FCI-121-W is signed by the transferee.

(9) The signature of a disinterested person as a witness to the signature of the transferee.

(c) *In Part II, approval.*—The approval of Form FCI-121-W by the Corporation will be evidenced by the signature of the Manager and the countersignature of a member of the county committee. The approval of a transfer of interest by the county committee on behalf of the Corporation shall not create in the transferee any right other than that derived from the transferor.

H. Distribution of Forms.

(a) *Form FCI-120-W, "Collateral Assignment."*—When Form FCI-120-W is approved by the county committee on behalf of the Corporation, distribute as follows:

Original and two copies retained in the county office files. If in the event of loss, the amount of indebtedness has not been fully liquidated, the original and one copy of Form FCI-120-W with attachments, if any, are to be forwarded to the State office with Form FCI-167-W. However, if the amount of indebtedness has been fully liquidated, Form FCI-120-W with attachments, if any, shall be retained in the county office files.

Copy to the assignor.

Copy to the assignee.

(b) *Form FCI-121-W, "Transfer of Interest."*—When Form FCI-121-W is approved by the county committee on behalf of the Corporation, distribute as follows:

Original and two copies retained in the county office files. The original and the two copies are to be retained in the county office until the related Form FCI-119-W is transmitted to the State office. The original and one copy of Form FCI-121-W received in the county office after the related Form FCI-119-W has been transmitted to the State office should *not* be retained in the county office but should be currently transmitted to the State office.

Copy to the transferor.

Copy to the transferee. In those cases where the county committee has been unable to obtain the signatures of the transferee and transferor, no distribution of copies of Form FCI-121-W shall be made to the transferee or transferor.

I. Method of Effecting Transfers of the Entire Interest in a Portion of the Wheat Acreage.

Form FCI-108-W shall be executed by the insured and transmitted to the county com-

mittee in every case of a transfer of the entire interest in a portion of the wheat acreage.

1. Form FCI-121-W shall not be prepared in case of a transfer of the entire interest in a portion of the wheat crop (transfer of acreage), but such transfers shall be effected in the following manner:

(a) If the transfer of acreage takes place after Form FCI-112-W is executed but before the final date for the receipt of applications in the county office and before the beginning of the seeding of the wheat crop, a revised Form FCI-112-W showing the correct percentage of the transferor may be prepared. The transferee may submit Form FCI-112-W provided that such Form FCI-112-W is submitted to the county office before the final date for the receipt of applications.

(b) If the transfer of acreage takes place after the final date for the receipt of applications but before the beginning of the seeding of the wheat crop, the reduction in acreage shall be effected at the time Form FCI-119-W is prepared. In these cases the transferee will not be permitted to insure his portion of the acreage as Form FCI-112-W cannot be accepted after the final date for the receipt of applications in the county office or the beginning of the seeding of the wheat crop, whichever occurs first. In such cases where a decrease in the total premium due results from such transfer of acreage, a refund will be effected where the premium was paid other than by means of an advance from the Secretary. Where the premium was paid by means of an advance from the Secretary, steps will be taken to reduce the premium.

(c) If the transfer of acreage takes place after the beginning of the seeding of the wheat crop, the reduction in acreage cannot be effected as the premium is earned. If the insured makes a voluntary transfer of his entire interest in a portion of the wheat acreage to another person *after the beginning*

of the seeding of the wheat crop and such other person complies with the provisions of the insurance contract as applied to such portion of the crop, the amount of loss shall be determined as if such transfer did not take place. In such cases, the Corporation

may pay the indemnity to the insured on behalf of the insured and such other person having an interest in the crop, or may issue a joint check to the insured and such other person.

TRANSFERS

Transfers taking place <i>after</i> the date of signing Form FCI-112-W and <i>before</i> the final date for the receipt of applications in the county office or the date of beginning of the seeding of the wheat crop, whichever occurs first	Transfers taking place <i>after</i> the final date for the receipt of applications in the county office and <i>before</i> the beginning of the seeding of the wheat crop	Transfers taking place <i>after</i> the beginning of the seeding of the wheat crop and <i>before</i> the time of loss	Transfers taking place <i>after</i> the time of loss
TRANSFER OF ALL OR A PORTION OF THE INTEREST IN THE ENTIRE INSURED CROP (TRANSFER OF INTEREST)			
These transfers of interest may be effected by the execution of revised Form FCI-112-W by the transferor. If the transferee wishes to obtain insurance he must submit an application covering his interest in the wheat crop before the final date for the receipt of applications in the county office or the beginning of the seeding of the wheat crop, whichever occurs first.	Form FCI-121-W shall be executed by both the transferor and transferee, before the beginning of the seeding of the wheat crop. If Form FCI-121-W is not executed before the beginning of the seeding of the wheat crop, the insured's interest in such wheat crop will be adjusted at the time Form FCI-119-W is prepared by the county office and the transferee will not be permitted to obtain insurance.	Form FCI-121-W shall be executed by both the transferor and transferee prior to the time of loss.	Form FCI-121-W may not be executed after the time of loss, and payment will be made only to the transferor based on his share in the wheat crop at the time of loss.
TRANSFER OF ENTIRE INTEREST IN A PORTION OF THE WHEAT CROP (TRANSFER OF ACREAGE)			
These transfers of acreage may be effected by the execution of revised Form FCI-112-W by the transferor. If the transferee wishes to obtain insurance he must submit an application covering his interest in the wheat crop before the final date for the receipt of applications in the county office or the beginning of the seeding of the wheat crop, whichever occurs first.	The insured's acreage will be reduced at the time Form FCI-119-W is prepared.	If the transferee complies with the provisions of the insurance contract, the amount of loss shall be determined as if the transfer of acreage did not take place and the Corporation may pay the indemnity to the insured on behalf of the insured and such other person having an interest in the wheat crop or may issue a joint check to the insured and such other person.	

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SECTIONS XV AND XVI OF FORM FCI-111-W

SECTIONS XV AND XVI OF THE
COUNTY
APPLICATION PROCEDURE

NOTICE OF SEEDING

WHEAT CROP INSURANCE



UNITED STATES DEPARTMENT OF AGRICULTURE
FEDERAL CROP INSURANCE CORPORATION
WASHINGTON, D. C.

Issued August 1940

SECTIONS XV AND XVI OF THE COUNTY APPLICATION PROCEDURE

SECTION XV. NOTICE OF SEEDING

A. Form FCI-119-W, Notice of Seeding.

Form FCI-119-W is prescribed by the Corporation as the form to be used for the purpose of indicating the acreage seeded to wheat for harvest as grain on the farm and any change from the acreage and practices specified in Form FCI-112-W. As the determination of the total insured production under the insurance contract, pursuant to the 1941 Wheat Crop Insurance Regulations, will be made on the basis of Form FCI-119-W, a properly executed Form FCI-119-W shall be submitted in connection with each application. The insured's copy of Form FCI-119-W shall be forwarded to the State office for verification and when the necessary corrections, if any, have been made on Form FCI-119-W, the State office shall return the insured's copy to the county committee for transmittal to the insured.

Before Form FCI-119-W is prepared by the county committee, notification to the insured of the measured acreage should be issued in accordance with the instructions issued by the Agricultural Adjustment Administration.

B. Form FCI-122-W, 1941 Wheat Notices of Seeding—Transmittal Sheet.

Form FCI-122-W together with Forms FCI-119-W shall be submitted to the State office for verification before forwarding to the branch office of the Corporation.

When the measurement of the seeded acreage is completed, every application number shown on Form FCI-115-W shall be listed on Form FCI-122-W in the proper numerical order by

application number. In preparing Form FCI-122-W, where there are landlord and tenant applications for the same farm, insert after the application number the letter "T" or the letter "L" to indicate the landlord or the tenant application, listing thereon the "T" application first and the "L" application on the next succeeding line. The information to be inserted in columns A, B, C, D, E, F, G, H, I, and J of Form FCI-122-W shall be obtained from Form FCI-119-W. In those cases where Form FCI-119-W is delayed for any reason, the crop insurance application number should be indicated in column A in the proper numerical order, and the name of the insured indicated in column C, but the information in columns D, E, F, G, H, I, and J shall not be inserted. The word "Delayed" shall be inserted in column D of Form FCI-122-W opposite the appropriate application number.

However, as an indemnity claim cannot be approved for payment by the branch office prior to the receipt of the related Form FCI-119-W, Form FCI-167-W, "Statement in Proof of Loss," shall accompany the related Form FCI-119-W and Form FCI-122-W to the state office in those cases where Form FCI-119-W has not previously been transmitted to the state office.

C. Preparation of Form FCI-119-W.

The original and three copies of Form FCI-119-W shall be prepared in the county office as follows:

1. (a) Enter the State and county code and application number. These numbers should agree with those shown on Form FCI-112-W.

(b) Enter the ACP farm serial number.

2. Type or print the name and address of the insured.

(a) This name should agree with the name appearing in paragraph 1 of Form FCI-112-W except—

(1) Where Form FCI-121-W has been executed, transferring the transferor's entire interest in the crop, the name to be inserted should be the name of the transferee appearing in part I of Form FCI-121-W.

(2) Where only a portion of the entire interest has been transferred by means of executing Form FCI-121-W, separate Forms FCI-119-W shall be executed in the name of the transferor and the name of the transferee indicating in column F of each Form FCI-119-W the respective interest in the wheat crop.

(3) Where a transfer of acreage has been effected after the time of seeding, as indicated by the date shown in part I of Form FCI-108-W, enter the names of both the transferor and transferee indicating opposite each name the word "Transferor" or "Transferee" to properly identify the respective parties.

3. Enter the 1941 wheat-acreage allotment or the 1941 permitted acreage for the farm.

4. Enter in column A of part II:

(a) In counties where only general listing sheets have been prepared and yields have been determined on some farms which will be applicable only if certain practices are followed and if such practices are not followed an adjustment of production would need to be made under the 1941 Wheat Crop Insurance Regulations, there shall be entered in column A the word(s) which will distinguish such practice as "Irrigated," "Nonirrigated," "Fertilizer," "Durum," "Spring," "Winter," etc.

(b) Where the yield and rate procedure for special practice(s) *has been* followed in the county, list in column A the practices being followed on the farm. In the event that

separate yields and premium rates for special practices *have not been* established for the farm in a special practice county, the word "General," should be inserted in this column.

Where one Form FCI-112-W was submitted covering irrigated and nonirrigated portions of the same farm and the yields and premium rates were shown on special practice listing sheets, the yield and premium rate for the practice followed on the farm for the current year's operation shall be inserted in columns D and H of part II of the same Form FCI-119-W.

No entries other than those specified above need be made in Column A.

5. Enter in column B the acreage seeded to wheat for harvest as grain on this farm.

(a) The entry in this column should represent the acreage determined by the Agricultural Adjustment Administration to have been seeded to wheat except that it will not include volunteer or self-seeded wheat, succotash, or true type winter wheat seeded in the spring. This acreage is to be used even though a transfer of the entire interest in a portion of the total acreage has been effected after the time of seeding.

(b) Where special practices are being followed enter the number of acres seeded under each special practice opposite the practice as listed in column A.

6. Enter in column C the number of acres used for computation of premium.

(a) The entry in this column should be the same as shown in column B unless the entry in column B is more than the wheat-acreage allotment, permitted acreage, or the acreage used for the computation of premium as shown in column A of paragraph 16 of Form FCI-112-W, in which event, the entry in column C should be the acreage allotment or permitted acreage, or the acreage used for the computation of premium as shown in column A of paragraph 16 of Form FCI-112-W, whichever is smaller, except in those cases involving two or more farms or tracts combined under one operation under the Agricultural Conservation Program, field-rented tracts, special practices, applica-

tions covering only spring wheat, irrigated and nonirrigated land, change from allotment to nonallotment farm, revision of acreage allotment after application has been submitted to State office, or portions on the same farm, tract or tracts which vary widely from the remainder of the farm. In these cases, the acreage used for computation of premium to be inserted in column C of part II of Form FCI-119-W will be determined in accordance with section XVI of this procedure.

7. Enter in column D the adjusted average yield for the farm as shown in column B of paragraph 4 of Form FCI-112-W.

(a) For those farms on which special practices are recognized, the adjusted average yield as approved by the Corporation for each special practice being followed on the farm shall be entered in column D on the line on which the special practice is shown.

(b) Where the applicant has appealed his adjusted average yield and such appeal has been properly approved, enter the adjusted average yield as shown to have been approved by the appeal. In such cases insert the following notation in part II of Form FCI-119-W: "Appealed yield approved." In those cases in which appeals have been submitted to the State office, but have not as yet been approved or rejected, the Forms FCI-119-W prepared in connection therewith shall be handled as delayed cases until the county office is advised of the action taken on the appeals.

8. Enter in column E the insured percentage as shown in column C of paragraph 4 of Form FCI-112-W.

9. Enter in column F the insured's interest in the wheat crop as shown in column D of paragraph 4 of Form FCI-112-W, or the revised Form FCI-112-W, if submitted, or that existing at the time of seeding, whichever is smaller.

If the applicant had no interest in the wheat crop at the beginning of the seeding of such wheat crop, a member of the county committee shall certify that such is the case by placing the following notation in part II of Form FCI-119-W:

"The insured, named above in part I, had no interest in the wheat crop seeded on the farm covered by the above-identified insurance contract at the time of the beginning of the seeding of such wheat crop."

Where Form FCI-108-W has been received and part I has been executed indicating that the insured has transferred all or a portion of his entire interest in the wheat crop, covered by his insurance contract, prior to the time of seeding and Form FCI-121-W was not in fact executed until after the seeding of the crop, the insured's interest in the wheat crop to be entered in column F shall be decreased to reflect the insured's actual interest in the wheat crop as of the time of seeding.

It should be noted that where the insured's interest in the wheat crop is decreased *before* the beginning of the seeding of the wheat crop and Form FCI-121-W has not been executed and submitted *before* the beginning of the seeding of the wheat crop, the insurance contract shall be effective only with respect to the interest of the insured at the time of the beginning of the seeding of the wheat crop. Failure to execute Form FCI-121-W before the time of seeding in cases where a transfer of interest has actually been made prior to the time of seeding will prevent the Corporation from recognizing that the interest that has been transferred is insured under the transferor's insurance contract.

10. Enter in column G the product of the number of acres used for the computation of premium, the adjusted average yield for the farm, the insured percentage, and the insured's interest in the wheat crop (CXDXEXF).

In making this computation, round to whole bushels after each computation as follows: Multiply *C* times *D* and round to whole bushels; multiply the result in whole bushels by *E* and round to whole bushels; multiply this result by *F* and round to whole bushels to obtain the entry for column G.

If more than one farming practice is shown in column A or if more than one interest is shown

in column F, compute the insured production for each practice or interest as outlined above. The total of the figures appearing in column G should be entered at the bottom of this column.

11. Enter in column H the premium rate per acre for the farm as shown in column E of paragraph 4 of Form FCI-112-W. Where the applicant has appealed his premium rate and such appeal has been properly approved, enter the premium rate as shown to have been approved by the appeal. In such cases insert the following notation in part II of Form FCI-119-W: "Appealed premium rate approved." In those cases in which appeals have been submitted to the State office but have not as yet been approved or rejected, the Forms FCI-119-W prepared in connection therewith shall be handled as delayed cases until the county office is advised of the action taken on the appeals.

For those farms on which special practices are recognized, the premium rate per acre for each special practice being followed on the farm shall be entered in column H on the line on which the special practice is shown.

12. Enter in column I the product of the number of acres used for computation of premium, the premium rate per acre, and the insured's interest in the wheat crop (CXHXF).

(a) In making this computation, multiply the entry in column C by the entry in column H and round the result to whole bushels; multiply the result by column F and round the result to whole bushels.

(b) If more than one farming practice is shown in column A or if more than one interest is shown in column F, compute the premium for each special practice or interest as outlined above.

The total of all the entries in column I shall be entered at the bottom of this column.

(c) If the premium rate per acre for any special practice as shown in column H is less than the minimum (0.50 bushel for 75-percent insurance, 0.30 bushel for 50-percent insurance) compute also what the total premium would be on the basis of the minimum rate for the total acreage in column C.

If this figure is larger than the total premium

as determined on the basis of the special practice premium rate or rates, it shall be used. In those cases where the minimum rate for the farm is used, a line shall be drawn through the total premium entered at the bottom of column I and the premium as computed above shall be entered.

13. PART III. *Certification of County Committee.*—The county committee shall certify the entries shown on Form FCI-119-W by executing part III, Certification of County Committee.

Prior to signing part III of Form FCI-119-W, the county committee shall determine that the estimated net payment earned or to be earned under the 1941 Agricultural Conservation Program will equal or exceed the cash equivalent of the premium due as shown on Form FCI-119-W. If additional cash premium is required, the collection shall be made or the insured production adjusted in accordance with paragraph D of this section of the procedure.

14. PART IV. *Computation of Cash Equivalent of Premium.*—The county committee shall make entries and computations in part IV in the following manner:

(a) Enter in item a the total premium as shown in column I of part II of Form FCI-119-W.

(b) Enter in item b the 1940 application number and the 1940 deposit in bushels to be applied as payment of the 1941 premium.

The amount of the 1940 deposit in bushels shall be the same as that indicated in column C of paragraph 16 of Form FCI-112-W, and column F of Form FCI-114-W. The 1940 application number shall be that shown in column A of Form FCI-114-W.

(c) Enter in item c the balance of the premium due by deducting the bushels representing the 1940 deposit being applied toward payment of the 1941 premium as shown in item b from the total premium in bushels shown in item a (a minus b).

In the event the bushels representing the 1940 deposit is sufficient to pay the 1941 premium as shown in item a, enter the word "None" in item c.

(d) Enter in item d the deposit in bushels for payment of future premiums. These deposits may arise from two sources: (1) Deposits tendered at the time Form FCI-112-W was submitted to the county office as shown by Form FCI-113-W; (2) A 1940 deposit, or any portion thereof, shown on Form FCI-114-W which is being redeposited for payment of future premiums in accordance with a memorandum submitted by the insured.

It is to be noted that deposits for future premiums must have been tendered at the time Form FCI-112-W was submitted and cannot be accepted after that time.

(e) Enter in item e the net price per bushel as shown in column G of paragraph 16 of Form FCI-112-W.

If no entry appears in column G of paragraph 16 of Form FCI-112-W, it will be necessary to compute the price per bushel in accordance with the instructions outlined in section II of this procedure.

(f) Enter in item f the computation of the cash equivalent of the premium due by multiplying the balance of the premium due as shown in item c by the net price per bushel shown in item e.

If payment was made by means of a warehouse receipt, the cash equivalent to be shown in this item will be the amount of the cash received from the sale of the warehouse receipt as shown on Form FCI-117-W.

All excess cash premiums will be refunded by the Corporation and will not be deposited, as deposits are limited to those tendered at the time of submitting Form FCI-112-W.

(g) Enter in item g, in those cases in which deposit was made by means of payment of cash, check, money order, or bank draft, the computation of the cash equivalent of the deposit for future premiums by multiplying the deposit for future premiums in bushels as shown in item d by the net price per bushel shown in item e.

In those cases where deposit was made by means of a warehouse receipt, the cash equivalent to be shown in this item will be the amount of the cash received from the sale of the ware-

house receipt as shown on Form FCI-117-W.

Where a 1940 deposit, or any portion thereof, is being redeposited as a 1941 deposit in accordance with the memorandum submitted by the insured, the cash equivalent of the deposit shall not be entered in item g.

(h) Indicate by check mark the manner of payment; that is, whether by an ACP advance, cash, or warehouse receipt, or partly by ACP advance and partly by cash or warehouse receipt.

(i) If the farm or tract covered by Form FCI-119-W is combined with another farm(s) or tract(s) under one operation under the Agricultural Conservation Program, indicate this fact by placing a check mark in the space provided.

D. Additional Premium Payments.

In accordance with section 30 of FCI Regulations 101-W, 1941 Wheat Crop Insurance Regulations, an additional payment supplementing a premium payment may be accepted after seeding and within the time prescribed by the Corporation, (1) in the case of an insurance contract covering the farm for which a premium payment was made on the basis of the wheat allotment or permitted acreage under the 1941 Agricultural Conservation Program and, due to an ACP combination, the maximum insurable acreage for such contract is in excess of such allotment or permitted acreage; (2) in the case of a field-rented tract upon which the acreage of wheat seeded is in excess of the acreage for which premium payment was made and the acreage of wheat seeded on all tracts constituting the farm does not exceed the acreage allotment or permitted acreage under the Agricultural Conservation Program, and (3) in the case of an insurance contract based on special practices when the acreages of wheat seeded to special practices differ from the acreages of special practices on which premium payment was made.

Where Form FCI-119-W indicates a deficiency in premium for any such application and this deficient premium is required to be paid by a means other than an ACP advance, the county

committee should inform the insured of the amount of the cash premium required and allow 2 weeks for the receipt of the supplemental payment from the insured. The related Form FCI-122-W need not be held pending the action to be taken by the insured but the notation, "Delayed Pending Additional Premium Payment," should be entered on Form FCI-122-W opposite the appropriate application number. Where additional premium is collected, Form FCI-113-W should be prepared for the additional premium paid by cash, check, money order, bank draft, or warehouse receipt.

Upon receipt of the deficient payment, Form FCI-119-W shall be transmitted to the State office accompanied by a supplemental Form FCI-122-W. However, if the insured does not tender the supplemental payment within 2 weeks after he was notified, the total insured production in column G of part II of Form FCI-119-W shall be decreased by the proportion that the amount of the premium paid bears to the total premium due. This computation shall be made as follows:

Premium due.....	\$100. 00
Premium paid.....	80. 00
<i>Column G of Form FCI-119-W, Insured Production</i>	
Summer fallow.....	600 bu.
Continuous cropping.....	200 bu.
	800 bu.
Adjusted total insured production.....	640 bu.

This computation is made by dividing the total insured production of 800 bushels by the premium due of \$100 and multiplying the result by the premium paid of \$80.

$$(800 \div 100 = 8 \times 80 = 640 \text{ bu.})$$

It is to be noted that this computation can be made based on the total insured production for all practices and need not be computed separately for each practice.

In the case of ACP combinations where Forms FCI-119-W indicate that the premiums have been paid in whole or in part by cash, the county committee should ascertain that the

total premiums collected in connection with the ACP combination are sufficient to cover the total premiums due under the insurance contracts covering the farms included in the ACP combination. In the event the total premiums collected are not sufficient to cover the total of the premiums due, and if more than two weeks have elapsed since the operator was informed of the deficiency and he has not tendered the supplemental payment, the total insured production in column G of part II of each Form FCI-119-W for a farm included in the ACP combination shall be decreased by the proportion that the total amount of the premiums collected bears to the total amount of the premiums due in connection with the ACP combination. In such cases the total insured production shown on *each* Form FCI-119-W shall be divided by the total premium due under the insurance contracts covering the ACP combination farms, and the result shall be multiplied by the total of the premiums that have been collected in connection with the ACP combination.

Any correction to be made in the total insured production figure as shown in column G of part II of Form FCI-119-W shall be made by drawing a line through the original entry and entering the corrected total insured production figure at the bottom of column G. In such cases the following notation shall be placed in the certification of the county committee: "Total insured production adjusted to conform to premium paid."

E. Preparation of Form FCI-122-W.

It is essential that Forms FCI-119-W be completed and transmitted to the respective State offices as soon as possible after the seeding of wheat in a particular county in order that prompt adjustment of the Corporation's records may be effected and in order that refund of excess premiums may be made promptly to the insured. Form FCI-122-W shall accompany Forms FCI-119-W when they are submitted to the State office for forwarding to the branch offices of the Corporation. Every application number for the Forms FCI-112-W, including

also those application numbers listed on Form FCI-112A-W, as shown on Form FCI-115-W, shall be listed on Form FCI-122-W in the proper numerical order by application number even though Form FCI-119-W is delayed or the Form FCI-112-W was recommended for rejection by the county committee. In preparing Form FCI-122-W, where there are landlord and tenant applications for the same farm, insert after the application number the letter "T" or the letter "L" taking care to list the "T" application first and the "L" application on the next succeeding line.

Where cancelation or rejection of applications has been approved by the Corporation, it will not be necessary to insert any information on Form FCI-122-W other than the application number, the name of the insured or applicant, and an appropriate notation indicating rejection or cancelation.

Where applications have been recommended for cancelation or rejection by the county committee, the related Forms FCI-119-W shall be listed as "Delayed" cases until written notification of cancelation or rejection is received from the Corporation. If written notification of cancelation or rejection is not received by the county office at the time that the final transmittal of Form FCI-122-W is prepared, the application number, the name of the insured or applicant, and a notation, "Recommended for cancelation" or "Recommended for rejection," shall be placed on Form FCI-122-W. Where an application number was not used, a notation such as "Number not assigned" shall be placed on Form FCI-122-W.

Where Forms FCI-119-W are being delayed in the county office, it will be necessary to indicate only the application number and the name of the insured with the word "Delayed" inserted in column D opposite the appropriate application number.

The county committee shall prepare the original and four copies of Form FCI-122-W, inserting the following information:

1. The State and county code.
2. The transmittal sheet number.

Each transmittal sheet shall be numbered

consecutively beginning with "1" for the first Transmittal Sheet (Form FCI-122-W) for each county.

3. The date of preparation of Form FCI-122-W.

4. In column A the application numbers in their proper numerical order, the "T" application and the "L" application on the next succeeding line.

5. In column B the ACP farm serial number.

6. In column C the name of the insured as shown in part I of Form FCI-119-W.

Where Form FCI-119-W is delayed for any reason, the crop insurance application number should be indicated in column A in the proper numerical order, and the name of the insured indicated in column C, but the information in columns D, E, F, G, H, I, and J shall not be inserted, but the word "Delayed" should be inserted in column D opposite the appropriate application number.

In every case of a transfer of all or a portion of the entire interest in the insured crop (transfer of interest) as evidenced by Form FCI-108-W and Form FCI-121-W or a transfer of the entire interest in a portion of the wheat crop (transfer of acreage) as evidenced by Form FCI-108-W, enter in column C the name of the transferor followed by the word "Transferor" and the name of the transferee followed by the word "Transferee" on succeeding lines of Form FCI-122-W.

The entries to be made in columns D, E, F, G, H, and I shall be made as follows:

(a) Where there is a transfer of interest and Form FCI-121-W *has been* signed by both the transferor and transferee:

(1) In case of transfer of *entire* interest, enter the data opposite the name of the *transferee*. No entries need be made in these columns opposite the name of the transferor.

(2) In case of transfer of a *portion* of the entire interest, enter opposite the names of the *transferor* and *transferee* the data as shown on the respective Forms FCI-119-W which have been executed in the names of the transferor and transferee.

(b) Where there is a transfer of interest and Form FCI-121-W *has not been* signed by both the transferor and transferee:

(1) In case of transfer of *entire* interest, enter the data opposite the name of the *transferor* taking care to enter the full amount of the ACP advance, if any, in column G. The total amount of the ACP advance shall also be entered in column G opposite the name of the transferee. The amount entered opposite the name of the transferee shall be circled so that it will not be included in the column total. No other entries need be made opposite the name of the transferee.

(2) In case of transfer of a *portion* of the entire interest, enter the data opposite the name of the *transferor*. No entries need be made opposite the name of the transferee.

(c) Where a transfer of the entire interest in a portion of the wheat crop (*transfer of acreage*) has been effected after seeding, enter the data opposite the name of the *transferor*. No entries need be made opposite the name of the transferee.

7. In column D the insured production as shown in column G of part II of Form FCI-119-W.

8. In column E the premium in bushels as shown in column I of part II of Form FCI-119-W.

9. In column F the 1940 deposit in bushels applied as shown in item b of part IV of Form FCI-119-W.

10. Where the premium was paid by means of an advance from the Secretary, enter in column G the cash equivalent of the total payment. This total payment will be obtained by adding the entries in items f and g of part IV of Form FCI-119-W.

Where a transfer of interest has been effected, the entry in column G shall be made in accordance with paragraph E, (6) of this procedure.

11. Where the premium was paid by cash, check, money order, bank draft, or warehouse

receipt, enter in column H the cash equivalent of the total payment. This total payment will be obtained by adding the entries in items f and g of part IV of Form FCI-119-W, except in those cases where the premium paid is less than the premium due.

In the event that payment has been made in part by cash, check, money order, bank draft, or warehouse receipt and in part by an advance from the Secretary, the representative portion shall be indicated in the proper columns under "Cash equivalent." Form FCI-113-W may be used to obtain the respective portions paid by cash or warehouse receipt and an advance from the Secretary.

In all other cases for any one application, if there is an entry in column G, no entry should appear in column H, and vice versa.

12. In column I the deposit in bushels for payment of future premiums, as shown by item d of part IV of Form FCI-119-W.

13. In column J the acreage used in computation of premium as shown in column C of part II of Form FCI-119-W. Where there is an application from both the landlord and tenant, the acreage for the farm shall only be inserted opposite the "T" application and the space opposite the "L" application shall be left blank. Where Form FCI-121-W has been executed and the names of the transferor and the transferee are listed separately, the total acreage for the farm covered by the original application should appear opposite the name of the transferor only.

14. Total columns D, E, F, G, H, I, and J for each Form FCI-122-W. These totals shall not be carried forward from one Form FCI-122-W to the next succeeding Form FCI-122-W.

Circled entries appearing in column G of Form FCI-122-W shall not be included in the total figure to be entered at the bottom of column G.

15. A member of the county committee shall indicate his approval of Form FCI-122-W by signing in the space provided.

Care should be exercised in preparing Form FCI-122-W so as to provide legible copies.

F. Transmittal of Delayed Forms FCI-119-W.

Transmittals listing the completed Forms FCI-119-W which were marked "Delayed" on the original transmittal, or Forms FCI-119-W suspended by the State office which are being resubmitted, shall be prepared in the county office in the following manner:

1. Form FCI-122-W shall be assigned the next succeeding transmittal sheet number and the word "Supplemental" shall be placed immediately preceding the transmittal sheet number.

It will not be necessary to relist all the application numbers appearing on the original Form FCI-122-W, but it will be necessary to list only those previously delayed or suspended Forms FCI-119-W which are now being submitted.

2. The completed or corrected Forms FCI-119-W shall be listed on Form FCI-122-W in their proper numerical order showing all of the information as required by this procedure.

The final transmittal, Form FCI-122-W, shall include all Forms FCI-119-W which have not been completely executed and the information shown on Form FCI-112-W shall be listed on Form FCI-122-W. This completed transmittal shall also bear the notation "Final" immediately preceding the transmittal sheet number to indicate that it is the final supplemental transmittal.

In those cases where no wheat has been seeded, or the applicant had no interest in the wheat crop at the beginning of the seeding of such wheat crop, refunds shall not be made nor shall advances from the Secretary be canceled unless the related Form FCI-119-W has been signed by the county committeeman. If no wheat has been seeded and Form FCI-119-W has not been signed by a member of the county committee, these cases shall be considered as delayed until such Forms FCI-119-W are completed or until the final transmittal of Form FCI-122-W is prepared listing all incomplete Forms FCI-119-W.

G. Revision of Form FCI-119-W or Form FCI-122-W.

If after Form FCI-119-W and the related Form FCI-122-W have been transmitted to the State office it is necessary to make any material changes on Form FCI-119-W, such changes should be accomplished by preparing a revised Form FCI-119-W as well as a revision of the Form FCI-122-W on which this particular Form FCI-119-W was listed. However, if the material change is to be made only on Form FCI-122-W, then a revision of that form should be accomplished by relisting only those Forms FCI-119-W that were originally listed on the particular Form FCI-122-W that is to be revised. In these cases, a notation shall be placed on the revised Form FCI-119-W or Form FCI-122-W, or both, indicating the reasons for making the corrections.

Every effort should be made to reduce the number of revisions of Form FCI-119-W or Form FCI-122-W in order to avoid any delay in the handling of the work in connection with the notices of seeding and also in order that indemnity payments might be made as quickly as possible.

H. Distribution of Forms.

In transmitting Forms FCI-119-W and Forms FCI-122-W to the State offices, the county office copy of each of these forms should be retained in the county office, but the remaining copies and the carbons should remain intact when they are transmitted in order that all changes made on the original of each of these forms might be reflected on all the remaining copies.

1. Form FCI-119-W, Notice of Seeding.

To State office (Do not separate or remove carbons):

Original (white)—to be transmitted by the State office to the branch office with the related Form FCI-122-W.

Copy (yellow)—to be returned by the State office to the county office for delivery to the insured.

Copy (green)—to be filed in the State office.

Retained in the county office:

Copy (salmon)—After the insured's copy of Form FCI-119-W has been returned by the State office, the county committee shall examine the form for corrections, and the corrections, if any, should be made on the county office copy of Form FCI-119-W.

2. Form FCI-122-W, 1941 Wheat Notices of Seeding—Transmittal Sheet.

To State office (Do not separate or remove carbons):

Original (white)—to be transmitted by the State office to the branch office.

Copy (green)—to be filed in the State office.

Copy (yellow)—to be transmitted by the State office to the branch office.

Copy (white)—to be transmitted by the State office to the General Accounting Preaudit Office.

Retained in county office:

Copy (salmon).

I. Disposition of 1940 Deposits.

All 1940 deposits should have been applied toward payment of the 1941 crop insurance premiums on all Forms FCI-112-W submitted by the applicant entitled to the 1940 deposit. Where the amount of the 1940 deposit exceeds the total 1941 premiums for all Forms FCI-112-W, the applicant should have submitted with his application(s), a memorandum indicating that this excess deposit should be redeposited toward payment of future premiums if the applicant wishes to make such deposit.

In the event that the applicant does not attach such a memorandum, the excess 1940

deposit will be refunded when Form FCI-119-W is received by the branch office of the Corporation.

In preparing Form FCI-119-W, indicate in part IV, item b, the 1940 application number and the bushels applied to the payment of the 1941 premium as shown by Form FCI-112-W, even though such deposit exceeds the premium shown in item a of part IV of Form FCI-119-W.

All 1940 deposits must be applied toward payment of the 1941 premium in accordance with paragraph 8 of Form FCI-112-W. It is further emphasized that all 1940 deposits applied toward payment of the 1941 premiums not to exceed the total premium in bushels as shown in column B of paragraph 16 of Form FCI-112-W are to be considered as 1941 premium payments. If a portion of the 1940 deposit so applied is to be refunded, such refund shall be made on the basis of the price current for the day that Form FCI-112-W was signed by the applicant. The price will ordinarily be shown in column G of paragraph 16 of Form FCI-112-W.

The amount of the deposit shown in item b of part IV of Form FCI-119-W should be obtained from the copy of Form FCI-112-W filed in the county office. If the amount of the 1940 deposit for any applicant exceeds the total of the premiums due on all Forms FCI-112-W, for such applicant, a memorandum should be submitted if the applicant wishes to redeposit this excess 1940 deposit. If this memorandum is not submitted, the Corporation will refund the excess deposit based on the price current at the time that such 1940 deposit was tendered to the Corporation.

EXAMPLE

1940 deposit.....	100 bu.
1941 premium due.....	90 bu.
<hr/>	
EXCESS 1940 DEPOSIT.....	10 bu.

(Per column C of Form FCI-114-W.)
(Per column B of paragraph 16 of Form FCI-112-W.)

This Form FCI-112-W was signed by the applicant on July 15, 1940. The basic market price less differential on that day being \$0.80 per bu.

1940 deposit applied toward payment of 1941 premium.....	90 bu.
Form FCI-119-W.....	75 bu.
<hr/>	
EXCESS 1941 PREMIUM.....	15 bu.

(Per column I of part II and item a of part IV of Form FCI-119-W.)

Ninety bushels of the 100-bushel 1940 deposit is applied toward payment of the 1941 premium. Therefore, the difference between the premium shown on Form FCI-112-W and that shown on Form FCI-119-W, or 15 bushels, will be refunded based on the price in effect at the time Form FCI-112-W was signed by the applicant; that is, \$0.80 per bushel.

The difference between the 1940 deposit of 100 bushels and the 90 bushels applied as payment of the 1941 premium, as shown by column B of paragraph 16 of Form FCI-112-W, will be refunded using the price for the day that the deposit was tendered to the Corporation; that is, the day when Form FCI-12, Wheat-1940, was signed by the applicant.

Place a notation in columns E and F of Form FCI-114-W, if such entries have not already been made, indicating the 1941 application number and the deposit applied in bushels.

Where the class of wheat designated on Form FCI-112-W differs from that used for the 1940 crop year and a "Work Sheet for Recomputation of Deposit" has not been prepared, the county committee shall prepare this work sheet in accordance with the instructions contained in section VII of this procedure.

SECTION XVI. TWO OR MORE FARMS OR TRACTS COMBINED UNDER ONE OPERATION UNDER THE AGRICULTURAL CONSERVATION PROGRAM, FIELD-RENTED TRACTS, SPECIAL PRACTICES, APPLICATIONS COVERING ONLY SPRING WHEAT, IRRIGATED AND NONIRRIGATED LAND, CHANGE FROM ALLOTMENT TO NONALLOTMENT FARM, REVISION OF ACREAGE ALLOTMENT AFTER APPLICATION HAS BEEN SUBMITTED TO THE STATE OFFICE, TRANSFER OF PART INTEREST IN A PORTION OF THE WHEAT ACREAGE, OR PORTIONS ON THE SAME FARM, TRACT OR TRACTS WHICH VARY WIDELY FROM THE REMAINDER OF THE FARM

CASE 1. Two or More Farms or Tracts Combined Under One Operation Under the Agricultural Conservation Program.

Where two or more farms or tracts are combined under one operation under the Agricultural Conservation Program, case 4 of section VI of this procedure stated a Form FCI-112-W should have been executed for each separately owned tract of land included in the combination and that in such cases the allotment for each farm should have been inserted in column A of paragraph 16 of Form FCI-112-W. In such cases, the acreage used for the computation of premium in column C may be greater than the acreage allotment shown in part I of Form FCI-119-W. In these cases, all Forms FCI-119-W covering farms which have been combined as one farm under the Agricultural Conservation Program shall be submitted to the State office at the same time with a letter of explanation signed by a member of the county committee accompanying each Form FCI-119-W. This letter of explanation should show the ACP farm or tract number, the crop insurance application number, the allotment for each of the farms or tracts being combined, and the acreage seeded for harvest as grain as shown by column B of Form FCI-119-W.

Where the acreage seeded for harvest as grain on all of the farms or tracts exceeds the total acreage allotment for the combined farms or tracts, the letter of explanation should also show the acreage to be used for computation of premium for each farm or tract. In these cases the acreage used for computation of premium in column C of part II of Form FCI-119-W shall be the same proportion of the acreage seeded on that farm or tract that the farm allotment bears to the total acreage to be seeded on all farms or tracts.

These computations will be made in the following manner:

	Number of acres seeded for harvest as grain	Acreage allot- ment	Acreage used for computa- tion of premi- um—col. A of par. 16 of Form FCI-112-W	Acreage used for computa- tion of premi- um—col. C of pt. II of Form FCI-119-W
Farm or Tract A.....	110	100	100	101.5
Farm or Tract B.....	150	100	100	138.5
Farm or Tract C.....	65	100	100	60.0
	325	300	300	300.0

The entries in column C of part II of Form FCI-119-W are computed as follows:

$$\begin{aligned} \text{Farm or Tract A } & \frac{300}{325} \text{ of 110, or 101.5 acres.} \\ \text{Farm or Tract B } & \frac{300}{325} \text{ of 150, or 138.5 acres.} \\ \text{Farm or Tract C } & \frac{300}{325} \text{ of 65, or 60.0 acres.} \end{aligned}$$

NOTE.—If the applicant for farm A, B, or C has indicated on Form FCI-112-W an acreage *less* than the allotment for the particular farm, the insurance coverage will be limited to the *acreage upon which insurance was originally requested on Form FCI-112-W*, regardless of the number of acres actually seeded to wheat on such farm or the acreage allotment for such farm.

CASE 2. *Field-Rented Tract*.—In those cases where Forms FCI-112-W were submitted on field-rented tracts, two or more of which make a farm for the Agricultural Conservation Program, and the acreage allotments were not established for each of these tracts, column C of Form FCI-119-W should indicate the acreage seeded to wheat on the particular tract. All Forms FCI-119-W of the landlord and also of the operators should be submitted to the State office at the same time.

In case the total acreage seeded to wheat on the various tracts composing the farm is in

excess of the wheat-acreage allotment or permitted acreage, the acreage used for the computation of premium on such Form FCI-119-W, as shown in column C, shall be the same proportion of the acreage seeded on that tract that the farm allotment or permitted acreage is to the total acreage seeded on the farm.

A table similar to the following, showing the farm allotment, the acreage seeded to wheat on each tract, and the acreage used in computation of the premium for each tract should be submitted with each Form FCI-119-W:

	Number of acres seeded for harvest as grain	Acreage used for computa- tion of premi- um—col. A of par. 16 of Form FCI- 112-W	Acreage allotment	Acreage used for computa- tion of premi- um—col. C of pt. II of Form FCI- 119-W
Tract A.....	110	100	-----	91.4
Tract B.....	150	60	-----	124.6
Tract C.....	65	90	-----	54.0
	325	250	270	270.0

The entries in column C of part II of Form FCI-119-W are computed as follows:

Tract A $\frac{270}{325}$ of 110, or 91.4 acres.

Tract B $\frac{270}{325}$ of 150, or 124.6 acres.

Tract C $\frac{270}{325}$ of 65, or 54.0 acres.

CASE 3. *Special Practices*.—Where Forms FCI-112-W were prepared on the basis of special practices, the entries in column C of Form FCI-119-W shall be the acreage actually seeded to wheat for each such practice, provided that the sum of the entries in column B does not exceed the 1941 wheat acreage allotment, or permitted acreage as shown in part I of Form FCI-119-W. In the event that the number of acres indicated in column B is greater than the 1941 wheat acreage allotment, permitted acreage, or the total of the acreages shown in column A of paragraph 16 of Form FCI-112-W, whichever is smallest, the acreages for each special practice appearing in column B shall be adjusted proportionately so that the total number

of acres appearing in column C shall be equal to the 1941 wheat acreage allotment, permitted acreage, or the total of the acreages shown in column A of paragraph 16 of Form FCI-112-W, whichever is the smallest. The acreage as shown in column C for each of the special practices shall bear the same relationship to the acreage shown in column B for the special practice that the acreage allotment, permitted acreage, or the total of the acreages shown in column A of paragraph 16 of Form FCI-112-W, whichever is smallest, bears to the total acres seeded for harvest as grain as shown in column B.

In these cases the entries to be inserted in column C of part II of Form FCI-119-W shall be determined as follows:

	Number of acres seeded for harvest as grain	Acreage used for computa- tion of pre- mium—col. A of par. 16 of Form FCI- 112-W	Acreage allotment	Acreage used for computa- tion of pre- mium—col. C of pt. II of Form FCI- 119-W
Summer fallow-----	80	75	-----	72.7
Continuous cropping-----	30	25	-----	27.3
	110	100	100	100.0

The entries in column C of part II of Form FCI-119-W are computed as follows:

Summer fallow----- $\frac{100}{110}$ of 80, or 72.7 acres.

Continuous cropping---- $\frac{100}{110}$ of 30, or 27.3 acres.

NOTE.—However, if the 1941 wheat acreage allotment or permitted acreage for the farm is 100 acres, and Form FCI-112-W indicates that the applicant intended to seed 75 acres on summer fallow and 20 acres on continuous cropping or a total of only 95 acres for the farm and it is indicated in columns A and B of part II of Form FCI-119-W that 80 acres have been seeded on summer fallow and 30 acres have been seeded on continuous cropping, the entry in column C shall be $\frac{95}{110}$ of 80, or 69.1 for summer fallow and the entry in column C shall be $\frac{95}{110}$ of 30, or 25.9 acres for continuous cropping.

However, if this farm was combined with other farms under the Agricultural Conservation Program, the determination of the number

of acres used for computation of premium shown in column C of part II of Form FCI-119-W should be made in the following manner:

	Number of acres seeded for harvest as grain	Acreage used for computa- tion of premi- um—col. A of par. 16 of Form FCI-112-W	Acreage allot- ment	Acreage used for computa- tion of premi- um—col. C of pt. II of Form FCI-119-W
Farm A:			100	
Summer fallow.....	80	75		73.8
Continuous cropping.....	30	25		27.7
Farm B:			100	
Summer fallow.....	100	110		92.3
Continuous cropping.....	50	40		46.2
Farm C:			100	
Summer fallow.....	40	30		36.9
Continuous cropping.....	25	20		23.1
	325	300	300	300.0

The entries in column C of part II of Form FCI-119-W are computed as follows:

	<i>Summer Fallow</i>	<i>Continuous Cropping</i>
Farm A.....	$\frac{300}{325}$ of 80, or 73.8 acres	$\frac{300}{325}$ of 30, or 27.7 acres
Farm B.....	$\frac{300}{325}$ of 100, or 92.3 acres	$\frac{300}{325}$ of 50, or 46.2 acres
Farm C.....	$\frac{300}{325}$ of 40, or 36.9 acres	$\frac{300}{325}$ of 25, or 23.1 acres

NOTE.—If the applicant for farm A, B, or C has indicated on Form FCI-112-W an acreage less than the allotment for the particular farm, the insurance coverage will be limited to the acreage upon which insurance was originally requested on Form FCI-112-W, regardless of the number of acres actually seeded to wheat on such farm or the acreage allotment for such farm.

CASE 4. Applications Covering Only Spring Wheat.—Where Form FCI-112-W was submitted after the final date for the receipt of winter wheat applications in the county office covering only spring wheat to be seeded on a farm where winter wheat has been seeded on acreage other than the acreage to be seeded to spring wheat, the acreage used for computation of premium to be entered in column C of Form FCI-119-W shall be the acreage seeded to spring wheat shown in column B of Form FCI-119-W or the acreage shown in column A of paragraph 16 of Form FCI-112-W, whichever is smaller.

CASE 5. Irrigated and Nonirrigated Land.—
(a) *General Listing Sheets.*—Where a farm contains both irrigated and nonirrigated land and the adjusted average yield and premium rates for such irrigated and nonirrigated land are shown separately on general listing sheets for the county, case 7 of section VI of this procedure provides that two Forms FCI-112-W shall have been submitted for the same farm; one Form FCI-112-W shall have been submitted for the irrigated portion of the farm, and the other Form FCI-112-W shall have been submitted for the nonirrigated portion of the farm. Separate Forms FCI-119-W shall also be executed for these cases. The acreage used for the computation of premium in column C of Form FCI-119-W shall be the same as the acreage seeded to wheat as shown in column B of Form FCI-119-W. If the total acreage seeded to wheat on the farm for both the irrigated and nonirrigated portions exceeds the acreage allotment or permitted acreage or the total acreage shown in column A of paragraph 16 of the two Forms FCI-112-W, then the acreage used for the computation of premium for each Form FCI-119-W shall be the same proportion of the acreage seeded on that tract that the farm allotment or permitted acreage or the acreage shown in column A of paragraph 16 of the Forms FCI-112-W, whichever is smallest, bears to the total acreage seeded to wheat on the farm.

A memorandum showing the farm allotment, the crop insurance application number, the ACP farm or tract number, the acreage to be seeded on each tract, and the acreage used for the computation of premiums shown in column A of paragraph 16 of the Forms FCI-112-W should be submitted with each Form FCI-119-W. The original of this memorandum shall be attached to the original Form FCI-119-W, and a copy shall be attached to the State office copy of Form FCI-119-W, when those forms are transmitted to the State office. A copy of this memorandum shall also be attached to the county office copy of Form FCI-119-W.

(b) *Special Practices.*—Where a farm contains land that is irrigated in some years and not irrigated in other years, case 7 of section VI of this procedure provides that one Form FCI-112-W shall have been submitted covering both the irrigated and nonirrigated portions of the farm based on the yield and premium rates established on the special practice listing sheets. In these cases one Form FCI-119-W shall also be prepared. The acreage used for the computation of premium in column C of Form FCI-119-W shall be the same as the acres seeded for harvest as grain as shown in column B of Form FCI-119-W for each practice. If the total acreage seeded to wheat on the farm for both the irrigated and nonirrigated portions exceeds the acreage allotment or permitted acreage or the total acreage shown in column A of paragraph 16 of Form FCI-112-W, the acreage used for the computation of premium for the irrigated and nonirrigated portions shown on Form FCI-119-W shall be the same proportion of the acreage seeded to that practice that the farm allotment or permitted acreage or the acreage shown in column A of paragraph 16 of Form FCI-112-W, whichever is smallest, bears to the total acreage seeded to wheat on the farm.

A memorandum showing the farm allotment, the crop insurance application number, the ACP farm or tract number, the acreage to be

seeded on each tract, and the acreage used for the computation of premium shown in column A of paragraph 16 of Form FCI-112-W should be submitted with Form FCI-119-W. The original of this memorandum shall be attached to the original Form FCI-119-W and a copy shall be attached to the State office copy of Form FCI-119-W, when these forms are transmitted to the State office. A copy of this memorandum shall also be attached to the county office copy of Form FCI-119-W.

CASE 6. *Portions on the Same Farm, Tract or Tracts Which Vary Widely From the Remainder of the Farm.*—Where two or more Forms FCI-112-W have been accepted for separate tracts of land in accordance with section I, paragraph D, 11, of Form FCI-111-W, and the allotment has been established for the entire farm, the total of the acreages shown in column C of part II of all the Forms FCI-119-W shall not exceed the allotment for the entire farm. The acreage used for computation of premium as shown in column C of Form FCI-119-W may exceed the acreage shown in column A of paragraph 16 of the related Form FCI-112-W *provided* the total of the acreages used for computation of premiums, as shown in column C of all Forms FCI-119-W, for all the tracts included in the farm does not exceed the total acreage allotment for the farm.

CASE 7. *Change From Allotment to a Non-allotment Farm.*—Where the acreage seeded to wheat for harvest as grain as shown in column B of part II of Form FCI-119-W is greater than the acreage used for the computation of premium in column A of paragraph 16 of Form FCI-112-W and this increase was permitted by the county committee due to a change from an allotment to a nonallotment farm, the permitted acreage shall be shown in part I of Form FCI-119-W and this permitted acreage shall be considered in determining the acreage to be used in the computation of premium as shown in column C of part II of Form FCI-119-W.

The permitted acreage shall be used even though such permitted acreage exceeds the acreage used for the computation of premium

as shown in column A of paragraph 16 of Form FCI-112-W and it will not be necessary to obtain a revised Form FCI-112-W. However, a memorandum shall be prepared by the county committee explaining all the facts in the case. The original of this memorandum shall be attached to the original Form FCI-119-W, a copy attached to the State office copy of Form FCI-119-W before it is forwarded to the State office, and a copy attached to the county office file copy of Form FCI-119-W.

CASE 8. *Revisions of Acreage Allotments After Form FCI-112-W is Prepared.*—Where the allotment for a farm is changed after Form FCI-112-W is submitted to the State office and the revised allotment is acceptable to the State agricultural conservation committee, the total insured production for the farm shall be computed on Form FCI-119-W, taking into consideration the revised allotment rather than the original allotment, provided that Form FCI-112-W indicated in column A of paragraph 16 the original established allotment as the basis for the payment of premium. A memorandum shall be prepared by the county committee indicating that the allotment was changed after Form FCI-112-W was transmitted to the State office and giving both the original allotment and the revised allotment. The original of this memorandum shall be attached to the original Form FCI-119-W when it is transmitted to the State office, a copy attached to the State office copy of Form FCI-119-W, and a copy attached to the county office copy of Form FCI-119-W.

CASE 9. *Transfer of Part Interest in a Portion of Wheat Acreage.*—Where a transfer of a part of the interest in a portion of the wheat acreage has taken place after the date of signing Form FCI-112-W but before the beginning of the seeding of the wheat crop and revised Forms FCI-112-W and Form FCI-121-W have not been executed in accordance with section XIV, paragraph J (as supplemented) of this procedure, Form FCI-119-W shall be prepared so as to indicate the insured's separate interests in the portions of wheat acreage originally

covered by the insurance contract. No insurance coverage shall attach with respect to that part of the interest secured by the transferee in connection with the transfer of a part of the interest in a portion of the acreage originally included in the transferor's insurance contract.

EXAMPLE.

A filed an application covering his 100-percent interest in 160 acres to be seeded to wheat. After the final date for receipt of applications, but before the beginning of the seeding of the wheat crop, A rents 80 acres to B on a fifty-fifty basis.

A's insurance contract *will not* attach with respect to B's fifty-percent interest in the crop

he seeds on the 80-acre tract which he is renting from A.

A's insurance contract *will* attach to the 80 acres in which he has 100-percent interest in the wheat crop as well as to A's 50-percent interest in the wheat crop seeded on the 80-acre tract being rented to B.

In such a case the entries to be made in the column headings under part II of the Form FCI-119-W related to A's insurance contract are as follows:

(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)
	80	80	10.0	75	100	600	1.00	80
	80	80	10.0	75	50	300	1.00	40
	160	160				900		120

CASES OUTLINED IN THIS PROCEDURE IN WHICH A MEMORANDUM SHOULD BE ATTACHED TO FORM FCI-119-W

Type of case	Reference	
	Section	Page
Disposition of 1940 deposits:		
1. Applicant's request that an excess 1940 deposit be redeposited ¹	XV	10
2. Work Sheet for Recomputation of Deposit when class of wheat shown on Form FCI-114-W differs from that shown on Form FCI-112-W ¹	XV	11
Two or more farms or tracts combined under one operation under the Agricultural Conservation Program	XVI	11
Field-rented tract	XVI	12
Irrigated and nonirrigated land	XVI	15
Change from allotment to a nonallotment farm	XVI	16
Revisions of acreage allotments after Form FCI-112-W is prepared	XVI	16
In addition all individual cases which cannot be handled in accordance with this procedure will require a detailed statement of facts to be submitted in accordance with General Procedure 4.		

¹ These memoranda should have been submitted with Form FCI-112-W, but if this was not done, they may be submitted with Form FCI-119-W

Library, U. S. Department of Agriculture,
Washington, D. C.

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1001. To 2205.14

SUPPLEMENT TO SECTION XIV
OF THE
COUNTY APPLICATION PROCEDURE

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WHEAT CROP INSURANCE

UNITED STATES DEPARTMENT OF AGRICULTURE
FEDERAL CROP INSURANCE CORPORATION
Washington, D. C.

Issued September 26, 1940



Supplement to Section XIV
of County Application Procedure

J. Method of Effecting Transfers of a Part of the
Interest in a Portion of the Wheat Acreage.

Form FCI-108-W shall be executed by the insured and transmitted to the county committee in every case of a transfer of a part of the interest in a portion of the wheat acreage.

1. Transfers of a part of the interest in a portion of the wheat acreage after Form FCI-112-W has been executed may be effected in the following manner:

- (a) If the transfer of a part of the interest in a portion of the wheat acreage takes place after Form FCI-112-W is executed but before the final date for the receipt of applications in the county office and before the beginning of the seeding of the wheat crop, the transferor may submit a revised Form FCI-112-W covering his interest in the wheat acreage that has not been transferred and the transferor may also submit a new Form FCI-112-W covering his remaining interest with respect to the portion of the wheat acreage he has transferred. The transferee may submit Form FCI-112-W provided that such Form FCI-112-W is submitted to the county office before the final date of receipt of applications.

ORIGINAL ARTICLES

THE JOURNAL OF THE AMERICAN MEDICAL ASSOCIATION

CHICAGO, ILL., MAY 1, 1919

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- (b) If the transfer of a part of the interest in a portion of the wheat acreage takes place after the closing date for receipt of applications in the county office but before the beginning of the seeding of the wheat crop, an adjustment will be made in the transferor's interest at the time Form FCI-119-W is prepared but no insurance coverage shall attach with respect to the transferee's interest except where before the beginning of seeding of the wheat crop the county committee has been requested by the transferor and transferee to effect a transfer of the transferor's insurance contract with respect to the transferee's part interest in a portion of the wheat acreage. If the county committee has received and approved such a request, the desired transfer of the insurance may be effected in the following manner:

1. The transferor should submit revised Forms FCI-112-W. One revised Form FCI-112-W should be executed to cover his interest in the portion of the wheat acreage in which no interest was transferred, and another revised Form FCI-112-W should be executed to cover the transferor's original interest in the wheat acreage, in which a part of his interest has been transferred.
2. By the execution of Form FCI-121-W the transferor may transfer to the transferee any part of his interest under the revised insurance contract executed to cover the portion

of the wheat acreage in which a part of the interest has been transferred, provided Form FCI-121-W is executed before the beginning of the seeding of the wheat crop or as soon as possible thereafter. In those cases where there has been an undue delay in the execution of Form FCI-121-W, the instructions outlined in General Procedure 4 shall be followed.

EXAMPLE

A has previously executed Form FCI-112-W covering his 100-percent interest in 160 acres to be seeded to wheat. After the closing date for the receipt of applications in the county office, but before the beginning of seeding, A transfers to B 50 percent of his interest in 80 acres to be seeded to wheat.

Before the beginning of seeding, A executes and submits Form FCI-108-W to the county office, and informs the county committee of his intent to effect a transfer of his interest in the insurance contract to B to the extent of his 50-percent interest in 80 acres to be seeded to wheat.

A may then execute two revised Forms FCI-112-W, each covering his 100-percent interest in 80 acres to be seeded to wheat. Each of A's revised applications would reflect the adjustment, if any, of the yield and premium rate resulting from a division of A's farm. By the execution of Form FCI-121-W, as specified above, A may transfer to B 50 percent of his interest under the insurance contract covering the wheat crop to be seeded on the 80-acre tract operated by B.

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